

Grand Prairie Independent School District

Annual Financial Report
For the Fiscal Year Ended August 31, 2020



2602 South Belt Line Road
Grand Prairie, Texas 75052

www.gpisd.org



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Grand Prairie Independent School District
Grand Prairie, Texas



Annual Financial Report
For the Fiscal Year Ended August 31, 2020

Prepared by
Grand Prairie Independent School District
Business Operations Department

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Grand Prairie Independent School District
 Annual Financial Report
 For the Fiscal Year Ended August 31, 2020
 Table of Contents

	Page	Exhibit
Introductory Section		
Certificate of Board	iii	
Financial Section		
Independent Auditor’s Report	1	
Management’s Discussion and Analysis	5	
Basic Financial Statements		
Government-Wide Financial Statements:		
Statement of Net Position	14	A-1
Statement of Activities	15	A-2
Fund Financial Statements		
Balance Sheet – Governmental Funds	16	B-1
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	19	B-1R
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	20	B-2
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22	B-2R
Statement of Fiduciary Assets and Liabilities – Fiduciary Fund	23	D-1
Notes to the Financial Statements	25	
Required Supplementary Information		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	55	E-1
Schedule of the District’s Proportionate Share of the Net Pension Liability of a Cost-Sharing Multiple-Employer Pension Plan (TRS)	56	E-2
Schedule of the District’s Contributions to the Teacher Retirement System Pension Plan (TRS)	58	E-3
Schedule of the District’s Proportionate Share of the Net OPEB Liability of a Cost-Sharing Multiple-Employer OPEB Plan (TRS)	60	E-4
Schedule of the District’s Contributions to the OPEB Plan (TRS)	61	E-5
Notes to the Required Supplementary Information	62	
Supplementary Information		
Combining and Individual Fund Financial Statements		
Nonmajor Governmental Funds		
Fund Descriptions:		
Nonmajor Governmental Funds – Special Revenue Funds	66	
Combining Balance Sheet –		
Nonmajor Governmental Funds – Special Revenue Funds	72	G-1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –		
Nonmajor Governmental Funds – Special Revenue Funds	80	G-2
Fiduciary Fund		
Statement of Changes in Assets and Liabilities – Fiduciary Fund	90	H-1

Grand Prairie Independent School District
 Annual Financial Report
 For the Fiscal Year Ended August 31, 2020
 Table of Contents

	Page	Exhibit
Compliance Schedules:		
Schedule of Delinquent Taxes Receivable	92	I-1
Budgetary Comparison Schedule – National School Breakfast and Lunch Program	94	I-2
Budgetary Comparison Schedule – Debt Service Fund.....	95	I-3
Federal Awards Section		
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	99	
Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance	101	
Schedule of Findings and Questioned Costs	103	
Schedule of Expenditures of Federal Awards	106	K-1
Notes to the Schedule of Expenditures of Federal Awards	107	
Other Information		
Schedule of Required Responses to Selected School FIRST Indicators (Unaudited)	110	L-1

Certificate of Board

Grand Prairie Independent School District
Name of School

Dallas
County

057-910
Co.-Dist Number

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) approved disapproved for the year ended August 31, 2020 at a meeting of the Board of Trustees of such school district on the ~~6th~~ ^{14th} day of January, 2021.



Signature of Board Secretary



Signature of Board President

If the Board of Trustees disapproved of the auditors' report, the reason(s) for disapproving it is (are):

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Independent Auditor's Report

The Board of Trustees of
Grand Prairie Independent School District
Grand Prairie, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Grand Prairie Independent School District (District) as of and for the year ended August 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of August 31, 2020, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Weaver and Tidwell, L.L.P.
2300 North Field Street, Suite 1000 / Dallas, Texas 75201
Main: 972.490.1970

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Grand Prairie Independent School District's basic financial statements. The Introductory Section, Supplementary Information, and Statistical Section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CRF) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the basic financial statements.

The Supplementary Information and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Board of Trustees of
Grand Prairie Independent School District

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 6, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
January 6, 2021

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Management's Discussion and Analysis

As management of the Grand Prairie Independent School District (the District), we offer readers of the accompanying report this narrative overview and analysis of the financial activities of the District for the fiscal year ended August 31, 2020. (In reviewing this report, readers should be mindful that it is often necessary for management to make and use estimates in the preparation of financial statements. Examples of the use of such estimates may be found in amounts reported for depreciation, net taxes receivable, claims payable of the District's self-insured workers' compensation program, and net pension liability.)

Financial Highlights

- Governmental Activities assets and deferred outflows of resources was less than liabilities and deferred inflows of resources at year-end by \$83,306,609.
- The District's total net position increased by \$25,922,003 from current operations.
- At the end of the year, unassigned fund balance of the general fund was \$95,800,060.
- As of the close of the year, the District's governmental funds had combined ending fund balances of \$121,924,586, an increase of \$20,210,292 as compared to the preceding year.
- The District paid off the entirety of both Apple iPads capital leases.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information and supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector enterprise.

The *statement of net position* presents information on all of the District's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as an indicator of how the financial position of the District is changing.

The *statement of activities* presents information showing how the District's net position changed during the year. Changes in net position are reported upon occurrence of the underlying event giving rise to the change, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some transactions that will not result in cash flows until future fiscal periods (e.g., uncollected taxes and incurred but unpaid workers' compensation benefits).

The government-wide financial statements of the District are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the District include *Instruction, Instructional Resources and Media Services, Curriculum and Staff Development, Instructional Leadership, School Leadership, Guidance, Counseling, and Evaluation Services, Social Work Services, Health Services, Student Transportation, Food Services, Extracurricular Activities, General Administration, Plant Maintenance and Operations, Security and Monitoring Services, Data Processing Services, Community Services, Interest on Long-term Debt, Issuance Costs and Fees, Payments Related to Shared Services Arrangements, Payments to Juvenile Justice Alternative Education Programs, Payments to Tax Increment Fund, and Other Intergovernmental Charges.*

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, as do other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating near-term financing requirements.

Because the focus of governmental funds financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintained forty-two individual governmental funds during the year. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, and capital projects funds, which are considered to be major funds. Data from the other thirty-nine governmental funds are combined into a single, aggregated presentation titled *other governmental funds*.

The District adopts an annual revenue and appropriations budget for its general fund. Subsequent to adoption, amendments approved by the governing body are reflected in a revised budget. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as noted in the table of contents of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of students and student organizations. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs and activities. A statement of fiduciary assets and liabilities is presented as noted in the table of contents of this report.

Notes to the Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found as noted in the table of contents of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report presents required supplementary information and supplementary information, including schedules required by the Texas Education Agency. Such information can be found as noted in the table of contents of this report. The required supplementary information also provides information on the District's cost-sharing multiple employer pension and OPEB plan of which the District is a participant. The required supplementary information is referenced as Exhibits E-1 through E-5, and the associated notes immediately follow the exhibits in this report.

Government-Wide Financial Analysis

As mentioned earlier, net position may, over time, serve as an indicator of a District's changing financial position. The following table shows the net position of the District for the current and prior year.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT'S NET POSITION

	Governmental Activities					
	2020		2019		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Current and other assets	\$ 160,218,770	24	\$ 139,428,644	21	\$ 20,790,126	15
Capital assets, net of depreciation	502,216,870	76	523,223,057	79	(21,006,187)	(4)
Total assets	662,435,640	100	662,651,701	100	(216,061)	
Total deferred outflows of resources	77,492,020	100	83,050,426	100	(5,558,406)	(7)
Long-term liabilities outstanding	707,671,036	95	761,041,358	95	(53,370,322)	(7)
Other liabilities	37,393,873	5	36,788,581	5	605,292	2
Total liabilities	745,064,909	100	797,829,939	100	(52,765,030)	
Total deferred inflows of resources	78,169,360	100	57,100,800	100	21,068,560	37
Net position						
Net investment in capital assets	7,883,451	(9)	(12,148,333)	11	20,031,784	(165)
Restricted for grants	4,057,905	(5)	5,127,794	(5)	(1,069,889)	(21)
Restricted for debt service	20,029,207	(24)	15,356,260	(14)	4,672,947	30
Unrestricted	(115,277,172)	138	(117,564,333)	108	2,287,161	(2)
Total net position	\$ (83,306,609)	100	\$ (109,228,612)	100	\$ 25,922,003	

The District's investment in capital assets (e.g., land, buildings and improvements, furniture and equipment and construction in progress), less any related debt used to acquire those assets that are still outstanding totaled \$7,883,451 of net position. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Net position that is restricted for debt service totals \$20,029,207 of net position, and net position restricted for grants is \$4,057,905. At the end of the current fiscal year, the District reported a deficit Unrestricted Net Position of (\$115,277,172).

Governmental Activities. Governmental activities increased the District’s net position by \$25,922,003 from current operations. The elements giving rise to this change may be determined from the table below.

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT'S CHANGES IN NET POSITION

	Governmental Activities					
	2020		2019		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Revenue						
Program revenues:						
Charges for services	\$ 4,247,673	1	\$ 6,297,422	2	\$ (2,049,749)	(33)
Operating grants and contributions	90,504,856	22	88,811,513	22	1,693,343	2
General revenues:						
Property taxes, levied for general purpose	86,314,648	21	85,722,589	22	592,059	1
Property taxes, levied for debt service	37,922,602	9	31,045,170	8	6,877,432	22
Grants and contributions not restricted to specific programs	192,701,545	46	179,089,570	45	13,611,975	8
Investment earnings	2,083,634	1	3,302,319	1	(1,218,685)	(37)
(Loss) on sale of capital assets	316,227	-	(2,175,041)	(1)	2,491,268	(115)
Miscellaneous	2,282,298	1	3,715,335	1	(1,433,037)	(39)
Total revenues	416,373,483	101	395,808,877	100	20,564,606	
Expenses						
Instruction	213,461,640	55	202,770,887	54	10,690,753	5
Instructional resources and media services	4,009,947	1	3,683,067	1	326,880	9
Curriculum and staff development	9,998,811	3	10,757,071	3	(758,260)	(7)
Instructional leadership	5,292,281	1	5,272,472	1	19,809	-
School leadership	24,314,551	6	23,379,100	6	935,451	4
Guidance, counseling, and evaluation services	17,194,014	4	15,561,797	4	1,632,217	10
Social work services	1,758,653	-	1,097,063	-	661,590	60
Health services	4,317,759	1	4,069,577	1	248,182	6
Student transportation	8,435,848	2	7,492,887	2	942,961	13
Food service	18,353,765	5	20,286,396	5	(1,932,631)	(10)
Extracurricular activities	9,031,251	2	9,551,370	3	(520,119)	(5)
General administration	7,667,964	2	8,610,162	2	(942,198)	(11)
Plant maintenance and operations	25,500,675	7	26,561,650	7	(1,060,975)	(4)
Security and monitoring services	3,428,047	1	3,179,485	1	248,562	8
Data processing services	6,491,563	2	6,132,154	2	359,409	6
Community services	6,313,180	2	6,570,149	2	(256,969)	(4)
Interest on long-term debt	16,739,370	4	17,205,043	5	(465,673)	(3)
Issuance costs and fees	-	-	17,715	-	(17,715)	(100)
Facilities repair and maintenance	229,869	-	34,531	-	195,338	566
Payments related to shared services arrangements	918,912	-	881,860	-	37,052	4
Payments to Juvenile Justice Alternative Education Programs	74,136	-	46,740	-	27,396	59
Payments to tax increment fund	6,543,295	2	5,532,005	1	1,011,290	18
Other intergovernmental charges	375,949	-	373,426	-	2,523	1
Total expenses	390,451,480	100	379,066,607	100	11,384,873	
Change in net position	25,922,003		16,742,270		9,179,733	
Net position - beginning	(109,228,612)		(125,970,882)		16,742,270	
Net position - ending	\$ (83,306,609)		\$ (109,228,612)		\$ 25,922,003	

Revenues, aggregating \$416,373,483, were generated primarily from two sources. Property taxes in the amount of \$124,237,250 represent 30 percent of total revenues while grants and contributions (including those not restricted for program-specific use as well as for general operations), totaling \$192,701,545, represent 46 percent of total revenues. The remaining 25 percent is generated from investment earnings, charges for services, and miscellaneous revenues.

The primary functional expenses of the District were Instruction in the amount of \$213,461,640 which represents 55 percent of total expenses. All remaining expense categories are 7 percent or less of total expenses.

Financial Analysis of the District's Funds

As mentioned earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. At the end of the fiscal year, the District's governmental funds had combined ending fund balances of \$121,924,586, an increase of \$20,210,292 from the preceding year.

The general fund is the primary operating fund of the District. At year-end, unassigned fund balance of the general fund was \$95,800,060, while total fund balance was \$97,399,679. To evaluate the general fund's liquidity, it may be helpful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned and total fund balance represents 34 percent of total general fund expenditures. The fund balance of the general fund increased \$17,687,497 during the year from current activities. The increase in fund balance was the result of conservative spending, a \$1 million increase in property tax revenue due to property values increasing for tax year 2019 over the prior tax year, and an increase in Foundation revenue of \$20 million due to House Bill 3.

The ESSER fund is new in fiscal year 2020, as the government provided large amounts of COVID funding to assist with Pandemic charges. At year-end, unassigned fund balance of the ESSER fund was \$0, as all funds that were to be received from the federal government had been spent.

The debt service fund ending fund balance of \$20,351,179 is restricted for the payment of principal and interest on debt. The debt service fund balance increased \$4,621,906 during the year from current activities. The increase in fund balance primarily due to a \$6.7 million increase in property tax revenue due to property values increasing for tax year 2019 over the prior tax year.

The capital projects fund ending fund balance of \$115,823 is restricted for capital expenditures. The net decrease in fund balance during the current year in the capital projects fund was \$1,029,222. The decrease was due to capital outlay expenditures related to construction projects, as all construction projects were completed in fiscal year 2020.

Governmental funds financial statements may be found by referring to the table of contents.

General Fund Budgetary Highlights

The \$300,000 net decrease between the originally-adopted budget and the final amended general fund budget was offset by a \$300,000 budget increase in Other Resources, resulting in a balanced budget.

Capital Assets and Long-term Liabilities

Capital Assets. The District's capital asset balance for governmental activities as of August 31, 2020 was \$502,216,870 (net of accumulated depreciation). This investment in capital assets includes buildings and improvements, furniture and equipment, and construction in progress. Net investment in capital assets increased by \$20,031,784 in the current fiscal year.

Major capital asset activity during the year included the following:

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT'S CAPITAL ASSETS
(net of depreciation)

	Governmental Activities					
	2020		2019		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Land and improvements	\$ 23,826,072	5	\$ 23,826,072	5	\$ -	-
Buildings and improvements	457,497,065	91	472,369,267	91	(14,872,202)	(3)
Furniture and equipment	20,893,733	4	24,309,032	5	(3,415,299)	(14)
Construction in progress	-	-	2,718,686	1	(2,718,686)	(100)
Totals	\$ 502,216,870	100	\$ 523,223,057	102	\$ (21,006,187)	

Additional information on the District's capital assets can be found in Note 3. D. Capital Assets of the notes to the financial statements per the table of contents of this report.

Long-Term Liabilities. At year-end, the District had the following long-term liabilities:

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT'S LONG-TERM LIABILITIES OUTSTANDING

	Governmental Activities					
	2020		2019		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
General obligation bonds (net)	\$ 494,967,115	69	\$ 522,471,561	69	\$ (27,504,446)	(5)
Lease payable	-	-	15,159,330	2	(15,159,330)	(100)
Workers' compensation claims	788,689	-	1,130,665	-	(341,976)	(30)
Compensated absences	465,230	-	204,440	-	260,790	128
Net pension liability	98,788,822	14	102,808,104	14	(4,019,282)	(4)
Net OPEB liability	112,661,180	16	119,267,258	16	(6,606,078)	(6)
Totals	\$ 707,671,036	99	\$ 761,041,358	101	\$ (53,370,322)	

The District's total bonded debt decreased by \$27,504,446 due to normal annual bond principal payments.

The District's general obligation debt is backed by the full faith and credit of the District and is further guaranteed by the Texas Permanent School Fund Guarantee Program.

State statutes do not limit the tax rate or amount of local tax support of school districts' bonded indebtedness. However, approval of the Attorney General of the State of Texas is required prior to the sale of bonds.

Additional information on the District's long-term debt can be found as noted in Note 3. E. Long-term Liabilities of the notes to the financial statements per the table of contents of this report.

The decrease in the District's net pension liability (NPL) to \$98,788,822 at August 31, 2020 from \$102,808,104 at August 31, 2019 was primarily due to a decrease of \$11.9 million due to changes in actuarial assumptions, and a net increase of \$14.5 million due to the current year recognition of pension related deferred outflows and inflows.

The following table provides the District’s key pension statistics related to the TRS plan as of and for the fiscal year ended August 31, 2020:

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT’S KEY PENSION STATISTICS

Net pension liability (NPL)	\$	98,788,822
Pension expense	\$	34,075,466

Additional information on the District’s net pension liability can be found in the notes to the financial statements as indicated in the table of contents of this report.

The decrease in the District’s net OPEB liability (NOL) to \$112,661,180 at August 31, 2020 from \$119,267,258 at August 31, 2019 was primarily due to a decrease of \$16.8 million due to changes in actuarial assumptions, and a net increase of \$11.9 million due to the current year recognition of pension related deferred outflows and inflows.

The following table provides the District’s key pension statistics related to the TRS plan as of and for the fiscal year ended August 31, 2020:

GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT’S KEY OPEB STATISTICS

Net OPEB liability (NOL)	\$	112,661,180
OPEB expense	\$	5,996,198

Additional information on the District’s OPEB liability can be found in Note 4.D. to the financial statements as indicated in the table of contents of this report.

Economic and Other Factors and Fiscal Year 2019-20 Budgets and Rates

- 2019-20 School year student enrollment is 29,266.
- District instructional staff totals 2,251 employees in 2019-20, excluding substitutes and other part-time employees, which includes 1,880 teachers and 371 teacher aides.
- The District maintains forty-one school campuses, including an in-district charter.
- Property values of the District increased 11 percent in the 2019-2020 year due to the increase in both residential and commercial development.
- A maintenance and operations tax rate of \$1.06835 and a debt service tax rate of \$0.47, a total rate of \$1.53835, was adopted for 2019-2020, resulting in a decrease in maintenance and operations tax rate and an increase in the debt service tax rate from the 2018-2019 rates of \$1.17 and \$0.425, respectively.

All of these factors and others were considered in preparing the District’s budget for the 2020-21 fiscal year.

Requests for Information

This financial report is intended to provide a general overview of the District’s finances for those with an interest in this information. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Division of Business Operations, Grand Prairie Independent School District, 2602 South Beltline Road, Grand Prairie, Texas 75052.

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Basic Financial Statements

Grand Prairie Independent School District
Statement of Net Position
August 31, 2020

Exhibit A-1

<u>Data Control Codes</u>		<u>1 Primary Government Governmental Activities</u>
ASSETS		
1110	Cash and cash equivalents	\$ 26,385,236
1120	Current investments	110,279,977
1220	Property taxes receivables	3,880,471
1230	Allowance for uncollectible taxes	(2,166,804)
1240	Due from other governments	18,706,148
1290	Other receivables	1,534,123
1410	Deferred expenditures	1,599,619
	Capital assets, not being depreciated:	
1510	Land and improvements	23,826,072
	Capital Assets, net of accumulated depreciation:	
1520	Buildings and improvements	457,497,065
1530	Furniture and equipment	20,893,733
1000	Total assets	<u>662,435,640</u>
DEFERRED OUTFLOWS OF RESOURCES		
1705	Deferred outflows - pension	45,974,078
1706	Deferred outflows - OPEB	18,652,705
1710	Deferred charge for refunding	12,865,237
1700	Total deferred outflows of resources	<u>77,492,020</u>
LIABILITIES		
2110	Accounts payable	2,578,996
2140	Interest payable	813,356
2150	Payroll deductions and withholdings	2,445,025
2160	Accrued wages payable	16,403,831
2180	Due to other governments	15,152,665
	Noncurrent liabilities:	
2501	Due within one year	26,378,919
2502	Due in more than one year	469,842,115
2540	Net pension liabilities	98,788,822
2545	Net OPEB liabilities	112,661,180
2000	Total liabilities	<u>745,064,909</u>
DEFERRED INFLOWS OF RESOURCES		
2605	Deferred inflows - pension	16,729,884
2606	Deferred inflows - OPEB	49,092,112
2610	Deferred gain on refunding	12,347,364
2600	Total deferred inflows of resources	<u>78,169,360</u>
NET POSITION		
3200	Net investment in capital assets	7,883,451
3820	Restricted for grants	4,057,905
3850	Restricted for debt service	20,029,207
3900	Unrestricted	(115,277,172)
3000	TOTAL NET POSITION	<u>\$ (83,306,609)</u>

The Notes to the Financial Statements are an integral part of this statement.

Grand Prairie Independent School District
Statement of Activities
For the Fiscal Year Ended August 31, 2020

Exhibit A-2

Data Control Codes	Functions/Programs	1 Expenses	3 Program Revenues		4 Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
			Charges for Services	Governmental Activities		
PRIMARY GOVERNMENT						
Governmental activities:						
0011	Instruction	\$ 213,461,640	\$ 1,259,928	\$ 37,371,411	\$ (174,830,301)	
0012	Instructional resources and media services	4,009,947	5,563	524,238	(3,480,146)	
0013	Curriculum and staff development	9,998,811	24,458	5,289,535	(4,684,818)	
0021	Instructional leadership	5,292,281	-	923,614	(4,368,667)	
0023	School leadership	24,314,551	80,344	3,269,413	(20,964,794)	
0031	Guidance, counseling, and evaluation services	17,194,014	575	4,535,852	(12,657,587)	
0032	Social work services	1,758,653	-	1,132,110	(626,543)	
0033	Health services	4,317,759	655	545,544	(3,771,560)	
0034	Student (pupil) transportation	8,435,848	-	1,375,706	(7,060,142)	
0035	Food service	18,353,765	1,827,015	12,853,041	(3,673,709)	
0036	Extracurricular activities	9,031,251	961,734	721,552	(7,347,965)	
0041	General administration	7,667,964	2,048	869,409	(6,796,507)	
0051	Facilities maintenance and operations	25,500,675	70,258	3,500,291	(21,930,126)	
0052	Security and monitoring services	3,428,047	-	899,529	(2,528,518)	
0053	Data processing services	6,491,563	-	1,134,578	(5,356,985)	
0061	Community services	6,313,180	15,095	1,996,990	(4,301,095)	
0072	Debt service-interest on long-term debt	16,739,370	-	12,623,522	(4,115,848)	
0081	Facilities acquisition and construction	229,869	-	-	(229,869)	
0093	Payments related to shared services arrangements	918,912	-	918,912	-	
0095	Payments to Juvenile Justice Alternative Education Programs	74,136	-	-	(74,136)	
0097	Payments to tax increment fund	6,543,295	-	-	(6,543,295)	
0099	Other intergovernmental charges	375,949	-	19,609	(356,340)	
TG	Total governmental activities	390,451,480	4,247,673	90,504,856	(295,698,951)	
TP	TOTAL PRIMARY GOVERNMENT	\$ 390,451,480	\$ 4,247,673	\$ 90,504,856	(295,698,951)	
General revenues:						
MT	Property taxes, levied for general purposes				86,314,648	
DT	Property taxes, levied for debt service				37,922,602	
GC	Grants and contributions not restricted to specific programs				192,701,545	
IE	Investment earnings				2,083,634	
	Gain on sale of capital assets				316,227	
MI	Miscellaneous				2,282,298	
TR	Total general revenues				321,620,954	
CN	Change in net position				25,922,003	
NB	Net position, beginning				(109,228,612)	
NE	NET POSITION, ending				\$ (83,306,609)	

The Notes to the Financial Statements are an integral part of this statement.

Grand Prairie Independent School District
Balance Sheet - Governmental Funds
August 31, 2020

Data Control Codes		199	266	599
		General Fund	ESSER Fund	Debt Service Fund
ASSETS				
1110	Cash and cash equivalents	\$ 22,981,754	\$ -	\$ 540,612
1120	Current investments	87,128,719	-	22,001,693
1220	Property taxes receivables (delinquent)	2,767,769	-	1,112,702
1230	Allowance for uncollectible taxes (credit)	(1,545,486)	-	(621,318)
1240	Due from other governments	12,461,848	4,519,399	-
1260	Due from other funds	5,009,779	-	-
1290	Other receivables, net	847,876	-	-
1410	Prepaid items	1,599,619	-	-
1000	Total assets	<u>131,251,878</u>	<u>4,519,399</u>	<u>23,033,689</u>
1000a	TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 131,251,878</u>	<u>\$ 4,519,399</u>	<u>\$ 23,033,689</u>
LIABILITIES				
2110	Accounts payable	1,878,074	-	-
2150	Payroll deductions and withholdings	2,445,025	-	-
2160	Accrued wages payable	15,340,142	-	-
2170	Due to other funds	5,136	4,519,399	-
2180	Due to other governments	12,961,539	-	2,191,126
2000	Total liabilities	<u>32,629,916</u>	<u>4,519,399</u>	<u>2,191,126</u>
DEFERRED INFLOWS OF RESOURCES				
2600	Unavailable revenue	<u>1,222,283</u>	<u>-</u>	<u>491,384</u>
	Total deferred inflows of resources	<u>1,222,283</u>	<u>-</u>	<u>491,384</u>
FUND BALANCES				
Nonspendable:				
3430	Prepaid items	1,599,619	-	-
Restricted:				
3450	Grant funds	-	-	-
3470	Capital projects	-	-	-
3480	Debt service	-	-	20,351,179
3600	Unassigned	<u>95,800,060</u>	<u>-</u>	<u>-</u>
3000	Total fund balances	<u>97,399,679</u>	<u>-</u>	<u>20,351,179</u>
4000	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 131,251,878</u>	<u>\$ 4,519,399</u>	<u>\$ 23,033,689</u>

The Notes to the Financial Statements are an integral part of this statement.

699 Capital Capital Projects Fund	Other Governmental Funds	98 Total Governmental Funds
\$ 270,252	\$ 2,592,618	\$ 26,385,236
-	1,149,565	110,279,977
-	-	3,880,471
-	-	(2,166,804)
-	1,724,901	18,706,148
-	5,136	5,014,915
-	686,247	1,534,123
-	-	1,599,619
<u>270,252</u>	<u>6,158,467</u>	<u>165,233,685</u>
<u>\$ 270,252</u>	<u>\$ 6,158,467</u>	<u>\$ 165,233,685</u>
154,429	546,493	2,578,996
-	-	2,445,025
-	1,063,689	16,403,831
-	490,380	5,014,915
-	-	15,152,665
<u>154,429</u>	<u>2,100,562</u>	<u>41,595,432</u>
-	-	1,713,667
-	-	1,713,667
-	-	1,599,619
-	4,057,905	4,057,905
115,823	-	115,823
-	-	20,351,179
-	-	95,800,060
<u>115,823</u>	<u>4,057,905</u>	<u>121,924,586</u>
<u>\$ 270,252</u>	<u>\$ 6,158,467</u>	<u>\$ 165,233,685</u>

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Grand Prairie Independent School District
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
August 31, 2020

Exhibit B-1R

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS (EXHIBIT B-1) \$ 121,924,586

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The governmental capital assets at year-end consist of:

Governmental capital assets costs	839,741,530	
Accumulated depreciation of governmental capital assets	<u>(337,524,660)</u>	502,216,870

Property taxes receivable, which will be collected subsequent to year-end, but are not available soon enough to pay expenditures and, therefore, are deferred in the funds.		1,713,667
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Long-term liabilities, including bonds payable, accrued interest, workers' compensation, compensated absences, net pension and OPEB liability, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Liabilities at year-end related to such items consist of:

Bonds payable, at original par	(452,125,000)	
Premium on bonds payable	(42,842,115)	
Accrued interest on the bonds	(813,356)	
Workers' compensation	(788,689)	
Compensated absences	(465,230)	
Net pension liability	(98,788,822)	
Net OPEB liability	<u>(112,661,180)</u>	(708,484,392)

Deferred gains and losses on refunding are reported as deferred inflows and outflows respectively in the statement of net position and are not reported in the funds due to not being a current financial resource available to pay for current expenditures. Deferred gains and losses consist of:

Deferred loss on refunding	12,865,237	
Deferred gain on refunding	<u>(12,347,364)</u>	517,873

Deferred outflows for pension are included in the statement of net position and are not reported in the funds due to they are not current financial resources available to pay for current expenditures.		45,974,078
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Deferred inflows for pension are included in the statement of net position and are not reported in the funds due to they are not current financial resources available to pay for current expenditures.		(16,729,884)
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Deferred outflows of resources for OPEB represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditures) until then.		18,652,705
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Deferred inflows of resources for OPEB represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.		<u>(49,092,112)</u>
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TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES (EXHIBIT A-1) **\$ (83,306,609)**

Grand Prairie Independent School District
Statement of Revenues, Expenditures, and Changes
in Fund Balances – Governmental Funds
For the Fiscal Year Ended August 31, 2020

Data Control Codes		199	266	599
		General Fund	ESSER Fund	Debt Service Fund
REVENUES				
5700	Total local and intermediate sources	\$ 91,672,449	\$ -	\$ 38,300,409
5800	State program revenues	202,726,329	-	10,178,677
5900	Federal program revenues	5,197,029	5,651,915	-
5020	Total revenues	299,595,807	5,651,915	48,479,086
EXPENDITURES				
Current:				
0011	Instruction	156,578,276	5,651,915	-
0012	Instructional resources and media services	3,624,348	-	-
0013	Curriculum and staff development	3,143,850	-	-
0021	Instructional leadership	4,387,814	-	-
0023	School leadership	20,155,105	-	-
0031	Guidance, counseling, and evaluation services	11,764,863	-	-
0032	Social work services	230,241	-	-
0033	Health services	3,790,889	-	-
0034	Student (pupil) transportation	6,704,524	-	-
0035	Food services	27,565	-	-
0036	Cocurricular/extracurricular activities	4,628,369	-	-
0041	General administration	6,867,706	-	-
0051	Plant maintenance and operations	23,706,462	-	-
0052	Security and monitoring services	2,823,511	-	-
0053	Data processing services	7,527,824	-	-
0061	Community services	4,207,980	-	-
Debt service:				
0071	Debt service - Principal on long-term debt	15,899,331	-	23,390,000
0072	Debt service - Interest on long-term debt	1,089,012	-	18,449,178
0073	Debt service - Bond issuance costs and fees	450	-	18,880
Capital outlay:				
0081	Facilities acquisition and construction	76,172	-	-
Intergovernmental:				
0093	Payments to member districts of SSA	-	-	-
0095	Payments to Juvenile Justice Alternative Education Programs	74,136	-	-
0097	Payments to Tax Increment Fund	4,544,173	-	1,999,122
0099	Other intergovernmental charges	375,949	-	-
6030	Total expenditures	282,228,550	5,651,915	43,857,180
1100	Excess (Deficiency) of revenues over (under) expenditures	17,367,257	-	4,621,906
OTHER FINANCING SOURCES (USES)				
7912	Proceeds from sale of assets	320,240	-	-
7080	Total other financing sources (uses)	320,240	-	-
1200	Net change in fund balances	17,687,497	-	4,621,906
0100	Fund balances, beginning	79,712,182	-	15,729,273
3000	FUND BALANCES, ending	\$ 97,399,679	\$ -	\$ 20,351,179

The Notes to the Financial Statements are an integral part of this statement.

699	Other	98
Capital Projects Fund	Governmental Funds	Total Governmental Funds
\$ 10,409	\$ 4,051,565	\$ 134,034,832
-	4,144,928	217,049,934
-	29,643,062	40,492,006
10,409	37,839,555	391,576,772
-	9,376,242	171,606,433
-	7,556	3,631,904
-	4,847,233	7,991,083
-	303,791	4,691,605
-	440,365	20,595,470
-	2,842,354	14,607,217
-	1,098,976	1,329,217
-	584	3,791,473
-	410,863	7,115,387
-	16,057,421	16,084,986
-	649,771	5,278,140
-	3,318	6,871,024
-	36,341	23,742,803
-	472,425	3,295,936
-	51,254	7,579,078
-	1,392,038	5,600,018
-	-	39,289,331
-	-	19,538,190
-	-	19,330
1,039,631	-	1,115,803
-	918,912	918,912
-	-	74,136
-	-	6,543,295
-	-	375,949
1,039,631	38,909,444	371,686,720
(1,029,222)	(1,069,889)	19,890,052
-	-	320,240
-	-	320,240
(1,029,222)	(1,069,889)	20,210,292
1,145,045	5,127,794	101,714,294
\$ 115,823	\$ 4,057,905	\$ 121,924,586

Grand Prairie Independent School District

Exhibit B-2R

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Fiscal Year Ended August 31, 2020

TOTAL NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUND (EXHIBIT B-2)		\$ 20,210,292
<p>Amounts reported for governmental activities in the statement of activities are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.</p>		
Capital asset additions	2,869,162	
Depreciation expense	<u>(23,871,336)</u>	(21,002,174)
The net effect of miscellaneous transactions involving capital assets (transfers, adjustments and dispositions) is a increase (decrease) to net position.		(4,013)
Because some property taxes will not be collected for several months after the District's fiscal year end, they are not considered "available" revenues and are deferred in the governmental funds. Deferred tax revenues increased (decreased) by this amount this year.		(65,746)
Repayment of bond principal and capital lease is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		39,289,331
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The (increase) decrease in interest reported in the statement of activities consist of the following:		
Accrued interest on current interest bonds payable (increased) decreased	40,287	
Amortization of bond premium and discount	3,374,446	
Amortization of defeasance costs	<u>(596,583)</u>	2,818,150
The (increase) decrease in workers' compensation is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds.		341,976
The (increase) decrease in compensated absences is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds.		(260,790)
The net change in net pension liability, deferred outflows, and deferred inflows is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. The net change consists of the following:		
Deferred outflows increased (decreased)	(7,079,685)	
Deferred inflows (increased) decreased	(10,293,939)	
Net pension liability (increased) decreased	<u>4,019,282</u>	<u>(13,354,342)</u>
The net change in net OPEB liability, deferred outflows and deferred inflows is reported in the statement of activities, but does not require the use of current financial resources and, therefore, is not reported as revenue or expenditures in the governmental funds. The net change consists of the following:		
Deferred outflows increased (decreased)	2,720,173	
Deferred inflows (increased) decreased	(11,376,932)	
Net OPEB liability (increased) decreased	<u>6,606,078</u>	<u>(2,050,681)</u>
CHANGE IN NET POSITION FOR GOVERNMENTAL ACTIVITIES (EXHIBIT A-2)		<u>\$ 25,922,003</u>

The Notes to the Financial Statements are an integral part of this statement.

Grand Prairie Independent School District
 Statement of Fiduciary Assets and Liabilities
 Fiduciary Fund
 August 31, 2020

Exhibit D-1

<u>Control Codes</u>		<u>Agency Fund</u>
	ASSETS	
1110	Cash and cash equivalents	\$ 181,128
1000	TOTAL ASSETS	<u>\$ 181,128</u>
	LIABILITIES	
2190	Due to student groups	\$ 181,128
2000	TOTAL LIABILITIES	<u>\$ 181,128</u>

The Notes to the Financial Statements are an integral part of this statement.

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Grand Prairie Independent School District

Notes to the Financial Statements

Note 1. Summary of Significant Accounting Policies

A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government (District). All fiduciary activities are reported only in the fund financial statements. *Governmental activities* are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions.

B. Reporting Entity

The Grand Prairie Independent School District (District) is governed by a seven-member board of trustees (Board), which has governance responsibilities over all activities related to public, elementary and secondary, education within the District. Members of the Board are elected by the public; have authority to make decisions; appoint management and significantly influence operations; and have primary accountability for fiscal matters; the District is not included in any other governmental reporting entity. The accompanying financial statements present the District. Additionally, no other organizations are required to be included within the District's reporting entity.

C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those accounted for in another fund.

The *debt service fund* is used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

The *capital projects fund* accounts for the acquisition and construction of the District's major capital facilities, other than those financed by proprietary funds.

The *ESSER fund* accounts for the revenue and expenditures for the Elementary and Secondary Emergency Relief grant that was awarded due to COVID-19 in the current fiscal year.

Grand Prairie Independent School District

Notes to the Financial Statements

The District reports the following Non-Major funds:

The *special revenue funds* are used to account for Food Services activities, federal and state financed programs and other local programs where unused balances are returned to the grantor at the close of specified project periods. The budget for the Food Services Fund is adopted by the Board each fiscal year.

Additionally, the District reports the following fiduciary fund:

The *agency fund* accounts for assets held by the District for student organizations. The fund is custodial in nature (assets equal liabilities) and does not involve measurement or results of operations.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the governmental funds included in the governmental activities (i.e., the governmental funds) column are eliminated.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

Transfers between the governmental funds included in governmental activities are eliminated.

E. Change in Accounting Principle

There are no accounting principal changes for fiscal year 2020.

F. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources or economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as required under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Grand Prairie Independent School District

Notes to the Financial Statements

Interest associated with the current fiscal period is considered to be susceptible to accrual and has been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items, including property taxes, are considered to be measurable and available only when cash is received by the District.

The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, and demand or time deposits with original maturities of three months or less from the date of acquisition.

2. Investments

Investments for the District are reported at fair value (generally based on quoted market prices) except for the position in investment pools. In accordance with state law, the pools operate in conformity with all of the requirements of the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Accordingly, the pools qualify as a 2a7-like pool and are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. The pools are subject to regulatory oversight by the State Treasurer, although it is not registered with the SEC.

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

4. Capital Assets

Capital assets, which include land and improvements, construction in progress, buildings and improvements, and furniture and equipment, are reported in the applicable governmental activities column in the government-wide financial statements. The District's infrastructure includes parking lots and sidewalks associated with various buildings. The cost of the infrastructure was initially capitalized with the building cost and is being depreciated over the same useful life as the building. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000, and an estimated useful life in excess of two years.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the District chose to include all such items regardless of their acquisition date or amount. The District was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the District constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated fair value at the date of donation.

Grand Prairie Independent School District

Notes to the Financial Statements

Land and improvements and construction in progress are not depreciated. The buildings and improvements and furniture and equipment of the District are depreciated using the straight line method over the following estimated useful lives:

Capital Asset Classes	Lives
Building and improvements	7 - 30 years
Furniture and equipment	3 - 25 years

5. Deferred Outflows/Inflows of Resources

Deferred outflows of resources represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditures) until then. Deferred inflows of resources represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

The components of the deferred outflows of resources and deferred inflows of resources in the government-wide and fund level financial statements are as follows:

	Statement of Net Position	Balance Sheet - Governmental Funds	
	Governmental Activities	General Fund	Debt Service Fund
Deferred outflows of resources			
Deferred outflows from pension activities	\$ 45,974,078	\$ -	\$ -
Deferred outflows from OPEB activities	18,652,705	-	-
Deferred loss on refunding	12,865,237	-	-
Total deferred outflows of resources	\$ 77,492,020	\$ -	\$ -
Deferred inflows of resources			
Deferred inflows from pension activities	\$ 16,729,884	\$ -	\$ -
Deferred inflows from OPEB activities	49,092,112	-	-
Unavailable property taxes	-	1,222,283	491,384
Deferred gain on refunding	12,347,364	-	-
Total deferred inflows of resources	\$ 78,169,360	\$ 1,222,283	\$ 491,384

Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension and OPEB activities are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and OPEB except for projected and actual earnings differences on investments which are amortized on a closed basis over a five-year period.
- District contributions to the pension and OPEB plans after the measurement date of each plan are recognized in the subsequent fiscal year.
- Deferred charge/gain on refunding is amortized over the shorter of the life of the refunded or refunding debt.
- Property taxes are recognized in the period the amount becomes available.

Grand Prairie Independent School District

Notes to the Financial Statements

6. Pension

The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

7. Other Post-Employment Benefits

The fiduciary net position of the Teacher Retirement System of Texas (TRS) TRS Care Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from TRS Care's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

8. Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the District's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

9. Fund Balance Flow Assumptions

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Restricted fund balance reflects resources that are externally enforceable legal restrictions imposed by parties outside of the District. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

10. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The board of trustees is the highest level of decision-making authority for the District that can, by board action or adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these amounts can only be used for the purpose intended, which requires formal Board action to establish (as noted in Board minutes or resolution), unless the Board modifies or removes the specified use by taking the same formal Board action.

Grand Prairie Independent School District

Notes to the Financial Statements

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The board of trustees (Board) has by resolution authorized the superintendent or his designee to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

H. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Property values are determined by the Appraisal District as of January 1 of each year. Prior to September 1 of each year, the District must adopt its annual budget and as soon thereafter as practicable, shall adopt a tax rate thus creating the tax levy. Property taxes for current calendar year are levied on approximately October 1 of each year and are payable by January 31 of the following year. Property tax receivables are recorded as of the date levied. Unpaid taxes become delinquent on February 1 and a tax lien on real property is created as of July 1 of each year.

3. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused sick leave benefits. Payment for unused state sick leave days accumulated locally will be made upon retirement (in accordance with guidelines established by the Teacher Retirement System of Texas). All sick pay is accrued when incurred (employee is eligible for retirement) in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, the result of employee terminations or retirement.

Upon retirement of all employees with the District, the District pays any accumulated local leave only to employees eligible for retirement (and who submitted a written notice of intent to retire). As of September 1, 2019, the maximum days an employee can be paid out for local leave is 100 days, at a rate of \$35 per day (\$3,500 max per employee).

4. Use of Estimates

The presentation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

5. Data Control Codes

The Data Control Codes refer to the account code structure prescribed by TEA in the Financial Accountability System Resource Guide. Texas Education Agency requires school districts to display these codes in the financial statements filed with the Agency in order to ensure accuracy in building a statewide data base for policy development and funding plans.

Grand Prairie Independent School District

Notes to the Financial Statements

Note 2. Stewardship, Compliance, and Accountability

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, *National School Breakfast and Lunch Program* special revenue fund and, debt service fund. All other governmental funds adopt project length budgets. All annual appropriations lapse at fiscal year-end. The following procedures are followed in establishing the budgetary data reflected in the financial statements.

1. Prior to August 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
3. Prior to September 1, the budget is legally enacted through passage of a resolution by the Board.

The appropriated budget is prepared by fund, function, and campus/department. The District's campus/department heads may make transfers of appropriations within a campus/department. Transfers of appropriations between campus/departments require the approval of the District's management. Transfers of appropriations between functions require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the function level within a fund. The District made several supplemental budgetary appropriations throughout the year that were not significant to a function.

B. Encumbrances

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as restricted, committed, or assigned fund balances as appropriate. The encumbrances do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

Note 3. Detailed Notes on All Funds

A. Deposits and Investments

Cash Deposits. The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Texas School Depository Act. The depository bank pledges securities which comply with state law and these securities are held for safekeeping and trust with the District's and the depository banks' agent bank. The pledged securities shall be in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

Grand Prairie Independent School District

Notes to the Financial Statements

Investments. The District's investment policy is in accordance with the Public Funds Investment Act (PFIA), the Public Funds Collateral Act, and federal and state laws. State law and District policy limits credit risk by allowing investing in 1) Obligations of the United States or its agencies which are backed by the full faith and credit of the United States, obligations of the State of Texas or its agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm (NRIRF) not less than A or its equivalent; 2) Certificates of deposit issued by a depository located in Texas which is insured by the FDIC or purchased through a broker who has an office located in Texas; 3) Repurchase agreements secured by obligations of the United States or its agencies not to exceed 90 days to maturity from the date of purchase; 4) Securities lending program if the loan is secured by pledged securities, irrevocable letters of credit, or cash and the term of the loan is one year or less; 5) Bankers acceptances with a stated maturity of 270 days or fewer which are eligible for collateral for borrowing from a Federal Reserve Bank; 6) Commercial paper that has a stated maturity of 270 days or fewer from the date of issuance is rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies; 7) No-load money market mutual funds which shall be registered with the Securities and Exchange Commission which have an average weighted maturity of less than two years, investments comply with the Public Funds Investment Act and are continuously rated not less than AAA by at least one NRIRF. 8) A guaranteed investment contract (for bond proceeds only) which meets the criteria and eligibility requirements established by the Public Funds Investment Act; 9) Public funds investment pools which meets the requirements of the Public Funds Investment Act.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application*, provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Grand Prairie Independent School District

Notes to the Financial Statements

The District's investments are in investment pools and are not subject to fair value measurements as presented in the table below. The District's investment balances and weighted average maturity of such investments are as follows:

	Fair Value Measurements				Percent of Total Investments	Weighted Average (Days)	Credit Risk
	August 31, 2020	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs			
Cash							
Bank deposits	\$ 26,566,364	\$ -	\$ -	\$ -			
Total cash	\$ 26,566,364	\$ -	\$ -	\$ -			
Investments measured at amortized cost							
Investment pools							
TexPool	\$ 5,484,581	\$ -	\$ -	\$ -	4.97%	32	AAAm
Texas CLASS	99,906,893	-	-	-	90.59%	22	AAAm
Lone Star	18,829	-	-	-	0.02%	24	AAAm
Investments measured at net asset value (NAV):							
Investment pools							
TexStar	1,179,390	-	-	-	1.07%	29	AAAm
Investments by fair value level							
Municipal bonds	892,524	892,524	-	-	0.81%	46	AA
Fixed income	2,797,760	2,797,760	-	-	2.54%	297	NR
Total investments	\$ 110,279,977	\$ 3,690,284	\$ -	\$ -			
Total cash and investments	\$ 136,846,341	\$ 3,690,284	\$ -	\$ -			
Portfolio Weighted Average Maturity						64	

Investment Pools are measured at amortized cost and are exempt for fair value reporting. The Texpool and Lone Star investment pools are external investment pools measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, investment pools must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. The investment pools transact at a net asset value of \$1.00 per share, have weighted average maturity of 60 days or less and weighted average life of 120 days or less, investments held are highly rated by nationally recognized statistical rating organization, have no more than 5% of portfolio with one issuer (excluding US government securities), and can meet reasonably foreseeable redemptions.

Texpool and Lone Star have a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pools' liquidity.

Credit Risk. For fiscal year 2020, the District invested in Texpool, Texas CLASS, Lone Star, and TexStar. Texpool is duly chartered and administered by the State Comptroller's Office. Texas CLASS is duly chartered by the State of Texas Interlocal Cooperation Act and is administered by Public Trust Advisors, LLC. Lone Star Investment Pool is duly chartered by the State of Texas Interlocal Cooperation Act and is administered by First Public, LLC, formerly the Texas Association of School Boards Financial Services. TexStar is duly chartered by the State of Texas Interlocal Cooperation Act and is administered by First Southwest Asset Management, Inc. and JPMorgan Chase. At year end, the District's investments were rated as noted in the table above. All credit ratings met acceptable levels required by legal guidelines prescribed in both the PFIA and the District's investment policy.

Grand Prairie Independent School District

Notes to the Financial Statements

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates may adversely affect the value of the investments. The District monitors interest rate risk utilizing weighted average maturity analysis. In accordance with its investment policy, the District reduces its exposure to declines in fair values by limiting the weighted average maturity of any internally created pool to no more than 180 days, and any other individual investment not to exceed one year from the time of purchase, unless specifically authorized by the Board of Trustees.

Concentration of Credit Risk. The District's investment policy does not limit an investment in any one issuer. The investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from over-concentration of assets in a specified class of investments, specific maturity, or specific issuer.

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of August 31, 2020, District's bank balances of \$26,566,364 were not exposed to custodial credit risk because balances were insured and collateralized with securities held by the District's agent in the District's name.

B. Receivables

Tax revenues of the general and debt service fund are reported net of estimated uncollectible amounts based on collection history.

C. Interfund Receivables and Payables

1. Receivables/Payables

The composition of interfund balances as of August 31, 2020, is as follows:

Fund	Interfund Receivables	Interfund Payables
General fund	\$ 5,009,779	\$ 5,136
Other governmental funds	5,136	490,380
ESSER fund	-	4,519,399
Totals	\$ 5,014,915	\$ 5,014,915

Interfund balances consist of short-term lending/borrowing arrangements that result primarily from payroll and other regularly occurring charges that are primarily paid by the general fund and then charged back to the appropriate other fund. Additionally, some lending/borrowing may occur between two or more nonmajor governmental funds.

2. Transfers

There were no transfers for the year ended August 31, 2020.

Grand Prairie Independent School District
Notes to the Financial Statements

D. Capital Assets

Capital asset activity for the year ended August 31, 2020 was as follows:

	Beginning Balance	Additions	Transfers	Retirements & Adjustments	Ending Balance
Governmental activities:					
Capital assets, not being depreciated					
Land and improvements	\$ 23,826,072	\$ -	\$ -	\$ -	\$ 23,826,072
Construction in progress	2,718,686	809,760	(3,528,446)	-	-
Total capital assets, not being depreciated	26,544,758	809,760	(3,528,446)	-	23,826,072
Capital assets, being depreciated:					
Buildings and improvements	739,645,080	-	3,528,446	-	743,173,526
Furniture and equipment	70,868,649	2,059,402	-	(186,119)	72,741,932
Total capital assets, being depreciated	810,513,729	2,059,402	3,528,446	(186,119)	815,915,458
Less accumulated depreciation for:					
Buildings and improvements	(267,275,812)	(18,400,649)	-	-	(285,676,461)
Furniture and equipment	(46,559,618)	(5,470,687)	-	182,106	(51,848,199)
Total accumulated depreciation	(313,835,430)	(23,871,336)	-	182,106	(337,524,660)
Total capital assets, being depreciated, net	496,678,299	(21,811,934)	3,528,446	(4,013)	478,390,798
Governmental activities capital assets, net	\$ 523,223,057	\$ (21,002,174)	\$ -	\$ (4,013)	\$ 502,216,870

Depreciation expense was charged to functions/programs of the District as follows:

Governmental activities		
11	Instruction	\$ 17,868,243
23	School leadership	706,234
31	Instructional leadership	3,501
34	Student transportation	780,896
35	Food service	431,480
36	Extracurricular activities	3,333,493
41	General administration	137,349
51	Facilities maintenance and operations	605,756
52	Security and monitoring services	4,384
Total depreciation expense - governmental activities		\$ 23,871,336

Grand Prairie Independent School District

Notes to the Financial Statements

Construction Commitments

The District has active construction projects as of August 31, 2020. The projects include the construction and equipment of school facilities. At year-end, the District's active commitments with contractors are as follows:

Project	Remaining Commitment
HVAC Equipment - MNT	\$ 87,153
Asphalt/Concrete Repair	21,110
GLSC New Motorized Gate System	11,384
Campus/Building Improvements	16,167
Total	\$ 135,814

E. Long-term Liabilities

The District's long-term liabilities consist of bond indebtedness, capital leases, workers' compensation claims, compensated absences, and net pension and OPEB liability. The current requirements for general obligation bonds principal and interest expenditures are accounted for in the debt service fund. Other long-term liabilities are generally liquidated with resources of the general fund.

1. Changes in Long-term Liabilities

Long-term liability activity for the year ended August 31, 2020, was as follows:

	Beginning Balance	Additions and (Provision Adjustment)	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 476,255,000	\$ -	\$ (24,130,000)	\$ 452,125,000	\$ 25,125,000
Deferred amounts:					
For issuance premiums (CIB's)	46,216,561	-	(3,374,446)	42,842,115	-
Total bonds payable, net	522,471,561	-	(27,504,446)	494,967,115	25,125,000
Leases payable	15,159,330	-	(15,159,330)	-	-
Workers' compensation	1,130,665	413,598	(755,574)	788,689	788,689
Compensated absences	204,440	343,504	(82,714)	465,230	465,230
Net pension liability	102,808,104	16,099,439	(20,118,721)	98,788,822	-
Net OPEB liability	119,267,258	12,214,493	(18,820,571)	112,661,180	-
Governmental activity long-term liabilities	\$ 761,041,358	\$ 29,071,034	\$ (82,441,356)	\$ 707,671,036	\$ 26,378,919

2. General Obligation Bonds

The District issues general obligation bonds to provide funds for the construction and equipment of school buildings (BLDG) and to refund general obligation bonds (REF).

General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued as 2-31 year current interest (CIB) with various amounts of principal maturing each year. Rates may be fixed or variable.

Grand Prairie Independent School District

Notes to the Financial Statements

The following is a summary of changes in the general obligation bonds for the fiscal year:

Series	Interest Rate	Original Issue	Maturity Date	Beginning Balance	Additions	Reductions	Ending Balance
Bonded indebtedness							
2011 (BLDG)	2.00-4.00%	45,000,000	2029	\$ 18,240,000	\$ -	\$ (2,200,000)	\$ 16,040,000
2011 (REF)	2.00-5.00%	55,805,000	2026	46,725,000	-	(5,775,000)	40,950,000
2012 (BLDG)	2.00-3.00%	8,900,000	2029	5,990,000	-	(540,000)	5,450,000
2013 (BLDG)	2.00-4.00%	13,945,000	2030	10,180,000	-	(710,000)	9,470,000
2013 (REF)	0.23-2.04%	19,245,000	2020	3,890,000	-	(3,890,000)	-
2014 (REF)	2.00-4.00%	22,535,000	2024	18,785,000	-	(435,000)	18,350,000
2015 (REF)	3.00-5.25%	127,820,000	2037	121,790,000	-	(4,165,000)	117,625,000
2016 (BLDG)	2.00-5.00%	61,895,000	2041	54,325,000	-	(2,650,000)	51,675,000
2016 (REF)	2.00-4.00%	94,640,000	2033	87,460,000	-	(2,480,000)	84,980,000
2016A (REF)	4.00-5.00%	47,440,000	2041	45,635,000	-	(420,000)	45,215,000
2016B (REF)	2.00-5.00%	37,975,000	2031	33,825,000	-	-	33,825,000
2017 (BLDG)	4.00-5.00%	17,090,000	2041	16,865,000	-	(125,000)	16,740,000
2017 (MTN)	3.00-5.00%	13,705,000	2032	12,545,000	-	(740,000)	11,805,000
Total bonded indebtedness				\$ 476,255,000	\$ -	\$ (24,130,000)	\$ 452,125,000
Total obligations of district				\$ 476,255,000	\$ -	\$ (24,130,000)	\$ 452,125,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

Years Ending August 31,	Principal Value	Interest	Total Requirements
2021	\$ 25,125,000	\$ 17,917,850	\$ 43,042,850
2022	25,065,000	16,884,725	41,949,725
2023	26,065,000	15,887,819	41,952,819
2024	27,155,000	14,800,319	41,955,319
2025	28,320,000	13,631,481	41,951,481
2026-2030	148,665,000	52,010,081	200,675,081
2031-2035	111,855,000	24,373,394	136,228,394
2036-2040	54,860,000	5,524,900	60,384,900
2041	5,015,000	125,375	5,140,375
Totals	\$452,125,000	\$161,155,944	\$613,280,944

As of August 31, 2020, the District did not have any authorized, but unissued bonds for school building or debt refunding purposes.

In accordance with the provisions of Section 148(f) of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Positive arbitrage is the excess of: (1) the amount earned on investments purchased with bond proceeds, or (2) the amount that such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. In order to comply with the arbitrage rebate requirements, positive arbitrage must be paid to the U.S. Treasury at the end of each five-year anniversary date of the bond issue. The District has estimated that it has no arbitrage liability as of August 31, 2020.

Grand Prairie Independent School District

Notes to the Financial Statements

3. Capital Leases

In a prior fiscal year, the District entered into a new lease agreement as lessee for financing the acquisition of various apple computers which is payable from the general fund. This lease agreement qualified as a capital lease for accounting purposes and, therefore, has been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through the capital lease are as follows:

	Governmental Activities
Assets:	
Equipment	\$ 15,676,929
Less: Accumulated depreciation	<u>(6,706,413)</u>
Total	<u>\$ 8,970,516</u>

Prior to year-end, the District paid off the remaining obligation of the capital leases, leaving no obligation remaining as of August 31, 2020.

F. Revenues from Local and Intermediate Sources

During the current year, revenues from local and intermediate sources consisted of the following:

	General	Debt Service	Capital Projects	Other Governmental Funds	Totals
Property taxes	\$ 86,391,147	\$ 37,917,482	\$ -	\$ -	\$ 124,308,629
Investment income	1,663,918	382,927	10,409	26,380	2,083,634
Food sales	-	-	-	1,815,101	1,815,101
Extracurricular activities	261,543	-	-	53,877	315,420
Other	3,355,841	-	-	2,156,207	5,512,048
Totals	<u>\$ 91,672,449</u>	<u>\$ 38,300,409</u>	<u>\$ 10,409</u>	<u>\$ 4,051,565</u>	<u>\$ 134,034,832</u>

Note 4. Other Information

A. Risk Management

1. Property/Liability

The District is exposed to various risks of loss related to property/liability losses for which the District participates in the Texas Association of Public Schools Property and Liability Fund (Fund) for property, liability, vehicle coverage, and crime. The Fund was created to formulate, develop and administer a program of modified self-funding for the Fund's membership, obtain competitive costs for coverages and develop a comprehensive loss control program. The District pays an annual premium to the Fund for its liability coverage and transfers the risk of loss to the Fund. The District's agreement with the Fund provides that the Fund will be self-sustaining through member premiums and may provide, through commercial companies, reinsurance contracts. In the event that the Fund was to discontinue operations, the member districts would be responsible for any eligible claims not funded by the Fund. In addition, there were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

Grand Prairie Independent School District

Notes to the Financial Statements

2. Health Care Coverage

During the year ended August 31, 2020, employees of the District were covered by a health insurance plan. The District paid premiums of \$350 per month per employee to the plan and employees, at their option, authorized payroll withholdings to pay premiums for dependents. All premiums were paid to a licensed insurer. The contract between the District and the licensed insurer is renewable annually and terms of coverage and premium costs are included in the contractual provisions.

3. Workers' Compensation

The District is self-insured for workers' compensation coverage and such transactions are accounted in an internal service fund. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities also include an estimated amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other nonincremental claims adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example for subrogation, are another component of the claims liability estimate. An excess coverage insurance policy covers individual claims in excess of \$1,000,000. Settlements have not exceeded coverages for each of the past three fiscal years and there were no significant reductions in insurance coverage from the prior year. The workers' compensation claims liability is presented at a discounted rate of 3% in the amount of \$788,689.

Changes in the balances of claims liabilities during the past two years are as follows:

	Year Ended August 31, 2020	Year Ended August 31, 2019
Unpaid claims, beginning of fiscal year	\$ 1,130,665	\$ 959,364
Incurred claims, including incremental provision for IBNRs	413,598	928,104
Claim payments	(755,574)	(756,803)
Unpaid claims, end of fiscal year	\$ 788,689	\$ 1,130,665

B. Litigation and Contingencies

The District is a defendant in various lawsuits arising principally in the normal course of operations. In the opinion of the District's management, the potential losses, after insurance coverage, on all allegations, claims, and lawsuits will not have a material effect on the District's financial position, results of operations or liquidity.

The District participates in a number of federal and state financial assistance programs. Although the District's grant programs have been audited in accordance with the provisions of the Single Audit Act through August 31, 2020, these programs are subject to financial and compliance audits by the grantor agencies. The District is also subject to audit by the TEA of the attendance data upon which payments from the agency are based. These audits could result in questioned costs or refunds to be paid back to the granting agencies.

Grand Prairie Independent School District

Notes to the Financial Statements

C. Defined Benefit Pension Plan

1. Plan Description

The District participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS) and is established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

2. Pension Plan Fiduciary Net Position

Detailed information about the TRS's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplementary information. That report may be obtained on the Internet at http://www.trs.texas.gov/Pages/about_archive_cafr.aspx; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

3. Benefits Provided

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3% (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity, except for members who are grandfathered where the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic postemployment benefit changes, including automatic cost of living adjustments (COLAs). Ad hoc postemployment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as previously noted in the Plan Description above.

4. Contributions

Employee contribution rates are set in state statute, Texas Government Code 825.402. Contribution requirements are established or amended pursuant to Article XVI, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year. Texas Government Code section 821.006 prohibits benefit improvements if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

Grand Prairie Independent School District

Notes to the Financial Statements

Rates for such plan fiscal years are as follows:

	2019	2020
Member	7.7%	7.7%
Non-employer contributing entity (State)	6.8%	7.5%
Employers (District)	6.8%	7.5%
Employers (District - Non-OASDI)*	1.5%	1.5%

* SB12 requires an increase in employer contributions by public school districts, charter schools and regional education service centers. Prior to SB12, only those employers not participating in social security were required to pay a 1.5% contributions (Non-OASDI surcharge). Beginning September 1, 2019 all employers are required to pay the Public Education Employer contribution irrespective of participation in social security.

The contribution amounts for the District's fiscal year 2020 are as follows:

District contributions	\$ 6,849,459
Member contributions	15,602,560
NECE on-behalf contributions (State)	8,881,337

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools and state agencies including TRS. In each respective role, the State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

As the non-employer contributing entity, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during the fiscal year reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, other entities or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, local or non-educational and general funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

In addition to the employer contributions listed above, there are two additional surcharges an employer is subject to.

- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment-after-retirement surcharge.
- When a school district or charter school does not contribute to the Federal Old-Age, Survivors and Disability Insurance (OASDI) Program for certain employees, they must contribute 1.5% of the member's salary.

Grand Prairie Independent School District

Notes to the Financial Statements

5. Actuarial Assumptions

The actuarial valuation of the total pension liability was performed as of August 31, 2018. Update procedures were used to roll forward the total pension liability to August 31, 2019 and was determined using the following actuarial methods and assumptions:

Actuarial cost method	Individual Entry Age Normal
Asset valuation method	Market Value
Single discount rate	7.25%
Long-term expected rate	7.25%
Municipal bond rate as of August 2019	2.63%. Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index."
Last year ending August 31 in the 2017 to 2116 projection period (100 years)	2116
Inflation	2.30%
Salary increases	3.05% to 9.05% including inflation
Ad hoc postemployment benefit changes	None
Active mortality rates	Based on 90 percent of the RP 2014 Employee Mortality Tables for males and females with full generational mortality. The post-retirement mortality rates for healthy lives were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables with full generational projection using the ultimate improvement rates from the most recently published projection scale U-MP.

The actuarial methods and assumptions are based primarily on a study of actual experience for the three year period ending August 31, 2018 and adopted in July 2018.

6. Discount Rate

A single discount rate of 7.25% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on pension plan investments of 7.25%. The projection of cash flows used to determine the single discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity will be made at the statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Grand Prairie Independent School District

Notes to the Financial Statements

Best estimates of arithmetic real rates of return for each major asset class included in TRS's target asset allocation as of August 31, 2019 are summarized below:

Asset Class	Target Allocation*	Long-Term Expected Geometric Real Rate of Return
Global equity:		
U.S.	18.00%	5.70%
Non-U.S. developed	13.00%	6.90%
Emerging markets	9.00%	8.95%
Directional hedge funds	4.00%	3.53%
Private equity	13.00%	10.18%
Stable value:		
U.S. treasuries	11.00%	1.11%
Stable value hedge funds	4.00%	3.09%
Real return:		
Global inflation linked bonds	3.00%	0.70%
Real assets	14.00%	5.21%
Energy and natural resources and infrastructure	5.00%	7.48%
Risk parity		
Risk parity	5.00%	3.70%
Asset Allocation Leverage	1.00%	-0.30%
Total	100.00%	

* FY 2019 target allocation based on the strategic asset allocation dated 10/1/2018

7. Discount Rate Sensitivity Analysis

The following table presents the District's proportionate share of net pension liability for TRS calculated using the discount rate of 7.25%, as well as the District's proportionate share of the respective net pension liability if it was calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$ 151,852,770	\$ 98,788,822	\$ 55,796,781

8. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At August 31, 2020, the District reported a liability of \$98,788,722 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District.

Grand Prairie Independent School District

Notes to the Financial Statements

The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District are as follows:

District's proportionate share of the net pension liability	\$ 98,788,822
State's proportionate share of the net pension liability associated with the District	131,909,503
Total	\$ 230,698,325

The net pension liability was measured as of August 31, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of August 31, 2018 rolled forward to August 31, 2019. The District's proportion of the net pension liability was based on the District's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2018 through August 31, 2019.

At the measurement date of August 31, 2019, the employer's proportion of the net pension liability was 0.0019004%, which was an increase of 0.0032605% from its proportionate measured as of August 31, 2018.

9. Changes since the Prior Actuarial Valuation

The following were changes to the actuarial assumptions or other inputs that affected measurement of the total pension liability since the prior measurement period.

- The single discount rate as of August 31, 2018 was a blended rate of 6.907% and that has changed to the long-term rate of return of 7.250% as of August 31, 2019.
- With the enactment of SB3 by the 2019 Texas Legislature, an assumption has been made about how this would impact future salaries. It is assumed that eligible active members will each receive a \$2,700 increase in fiscal year 2020. This is in addition to the salary increase expected based on the actuarial assumptions.

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

For the fiscal year ended August 31, 2020, the District recognized pension expense of \$34,075,466 and revenue of \$20,721,124 for support provided by the state in the government-wide statement of activities.

At August 31, 2020, the District reported the deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actuarial experience	\$ 415,001	\$ (3,430,105)
Changes of assumptions	30,649,144	(12,665,676)
Difference between projected and actual investment earnings	991,954	-
Changes in proportion and differences between District contributions and proportionate share of contributions (cost-sharing plan)	7,068,520	(634,103)
District contribution after measurement date	6,849,459	-
Totals	\$ 45,974,078	\$ (16,729,884)

Grand Prairie Independent School District

Notes to the Financial Statements

The \$6,849,459 reported as deferred outflows of resources related to pensions resulting from District contributions paid subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended August 31, 2021.

The net amounts reported as deferred outflows of resources (deferred inflows of resources) related to pensions will be recognized in pension expense as follows:

Years Ending	
August 31,	
<hr/>	
2021	\$ 5,647,692
2022	4,530,518
2023	5,813,476
2024	5,294,003
2025	1,948,585
Thereafter	<hr/> (839,539)
Total	\$ 22,394,735

D. Defined Other Post-Employment Benefit Plan

1. Plan Description

The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan that has a special funding situation. The plan is administered through a trust by the Teacher Retirement System of Texas (TRS) Board of Trustees. It is established and administered in accordance with the Texas Insurance Code, Chapter 1575.

2. OPEB Plan Fiduciary Net Position

Detailed information about the TRS-Care's fiduciary net position is available in the separately-issued TRS Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at http://www.trs.texas.gov/Pages/about_archive_cafr.aspx; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

3. Benefits Provided

TRS-Care provides health insurance coverage to retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

Eligible non-Medicare retirees and their dependents may enroll in TRS-Care Standard, a high-deductible health plan. Eligible Medicare retirees and their dependents may enroll in the TRS-Care Medicare Advantage medical plan and the TRS-Care Medicare Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. The Board of Trustees of TRS is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052.

Grand Prairie Independent School District

Notes to the Financial Statements

The premium rates for the optional health insurance are based on years of service of the member. The premium rates for retirees are reflected in the following table:

TRS-Care Plan Premium Rates
Effective January 1, 2019 - December 31, 2019

	Medicare		Non-medicare
Retiree*	\$	135	\$ 200
Retiree and spouse		529	689
Retiree* and children		468	408
Retiree and family		1,020	999

* or surviving spouse

4. Contributions

Contribution rates for the TRS-Care plan are established in state statute by the Texas Legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding. Funding for TRS-Care is provided by retiree premium contributions and contributions from the state, active employees, and school districts based upon public school district payroll. The TRS Board of trustees does not have the authority to set or amend contribution rates.

Texas Insurance Code, section 1575.202 establishes the State's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is 0.65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act.

The following table shows contributions to the TRS-CARE plan by type of contributor:

	2020	2019
Active employee	0.65%	0.65%
Non-employer contribution entity (State)	1.25%	1.25%
Employers / District	0.75%	0.75%
Federal / Private funding remitted by employers	1.25%	1.25%

The contribution amounts for the District's fiscal year 2020 are as follows:

District contributions	\$	1,699,149
Member contributions		1,316,910
NECE on-behalf contributions (State)		2,246,510

In addition, the State of Texas contributed \$955,160, \$759,414 and \$596,643 in 2020, 2019, and 2018, respectively, for on-behalf payments for Medicare Part D.

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to (regardless of whether or not they participate in the TRS Care OPEB program). When hiring a TRS retiree, employers are required to pay TRS-Care a monthly surcharge of \$535 per retiree. TRS-Care received a supplemental appropriation from the State of Texas as the Non-Employer Contributing Entity in the amount of \$73.6 million in fiscal year 2019.

Grand Prairie Independent School District

Notes to the Financial Statements

5. Actuarial Assumptions

The actuarial valuation of the total OPEB liability was performed as of August 31, 2018. Update procedures were used to roll forward the total OPEB liability to August 31, 2019.

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The following assumptions used for the valuation of the TRS-Care OPEB liability are identical to the assumptions employed in the August 31, 2019 TRS annual pension actuarial valuation:

Demographic Assumptions	Economic Assumptions
Rates of mortality	General inflation
Rates of retirement	Wage inflation
Rates of termination	Salary increases
Rates of disability	

See Note C for detail on these assumptions. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017.

The initial medical trend rates were 10.25% for Medicare retirees and 7.50% for non-Medicare retirees. There was an initial prescription drug trend rate of 10.25% for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.50 % over a period of 13 years.

See below for additional actuarial methods and assumptions for TRS-Care:

Actuarial cost method	Individual Entry Age Normal
Inflation	2.63%
Aging factors	Based on plan specific experience
Election rates	Normal Retirement: 65% participation prior to age 65 and 50% after age 65. 25% of pre-65 retirees are assumed to discontinue coverage.
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Ad hoc postemployment benefit changes	None

The impact of the Cadillac Tax that is returning in fiscal year 2023 has been calculated as a portion of the trend assumption. Assumptions and methods used to determine the impact of the Cadillac Tax include:

- 2018 thresholds of \$850/\$2,292 were indexed annually by 2.30%.
- Premium data submitted was not adjusted for permissible exclusions to the Cadillac Tax.
- There were no special adjustments to the dollar limit other than those permissible for non-Medicare retirees over 55.

Results indicate that the value of the excise tax would be reasonably represented by a 25 basis point addition to the long-term trend rate assumption.

Grand Prairie Independent School District

Notes to the Financial Statements

6. Discount Rate

A single discount rate of 2.63% was used to measure the total OPEB liability at August 31, 2019. This was a decrease of 1.06% in the discount rate since the August 31, 2018 measurement date. The plan is essentially a “pay-as-you-go” plan, and based on the assumption that contributions are made at the statutorily required rates, the OPEB plan’s fiduciary net position was projected to not be able to make all future benefit payments to current members and therefore, the single discount rate is equal to the prevailing municipal bond rate. The source for the rate is the Fixed Income Market Data / Yield Curve / Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20-Year Municipal GO AA Index”.

7. Sensitivity of the Net OPEB Liability

Discount Rate

The following table presents the District’s proportionate share of the TRS-Care net OPEB liability, as well as what the District’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that was 1% less than and 1% greater than the discount rate that was used (2.63%) in measuring the net OPEB liability.

1% Decrease (1.63%)	Current Discount Rate (2.63%)	1% Increase (3.63%)
\$ 136,018,196	\$ 112,661,180	\$ 94,388,968

Healthcare Cost Trend Rates

The following table presents the District’s proportionate share of net OPEB liability using the assumed healthcare cost trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is 1% lower or 1% higher than the assumed health-care cost trend rate:

1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
\$ 91,905,040	\$ 112,661,180	\$ 140,464,881

8. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At August 31, 2020, the District reported a liability of \$112,661,180 for its proportionate share of the TRS’s net OPEB liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District’s proportionate share of the net OPEB liability	\$ 112,661,180
State’s proportionate share of the net OPEB liability associated with the District	<u>149,701,510</u>
Total	<u><u>\$ 262,362,690</u></u>

The net OPEB liability was measured as of August 31, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as August 31, 2018 rolled forward to August 31, 2019. The District’s proportion of the net OPEB liability was based on the District’s contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2018 through August 31, 2019.

Grand Prairie Independent School District

Notes to the Financial Statements

At August 31, 2019 the employer's proportion of the collective net OPEB liability was 0.0023823% which was a decrease of 0.0023823% from its proportion measured as of August 31, 2018.

9. Changes since the Prior Actuarial Valuation

The following were changes to the actuarial assumptions or other inputs that affected measurement of the total OPEB liability since the prior measurement period:

- The discount rate changed from 3.69% as of August 31, 2018 to 2.63% as of August 31, 2019. This change increased the total OPEB liability.
- The participation rate for pre-65 retirees was lowered from 70% to 65%. The participation rate for post-65 retirees was lowered from 75% to 50%. 25% of pre-65 retirees are assumed to discontinue their coverage at age 65. There was no lapse assumption in the prior valuation. These changes decreased the total OPEB liability.
- The trend rates were reset to better reflect the plan's anticipated experience. This change increased the total OPEB liability.
- The percentage of retirees who are assumed to have two-person coverage was lowered from 20% to 15%. In addition, the participation assumption for the surviving spouses of employees that die while actively employed was lowered from 20% to 10%. These changes decreased the total OPEB liability.

For the fiscal year ended August 31, 2020, the District recognized OPEB expense of \$5,996,198 and revenue of \$3,945,517 for support provided by the State.

At August 31, 2020, the District reported the District's contributions paid after the measurement date and its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other postemployment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual economic experience	\$ 5,526,989	\$ (18,435,808)
Changes of assumptions	6,257,450	(30,303,093)
Net difference between projected and actual earnings on pension plan investments	12,155	-
Changes in proportion and differences between District contributions and proportionate share of contributions (cost-sharing plan)	5,156,962	(353,211)
District contributions afer measurement date	<u>1,699,149</u>	<u>-</u>
Totals	<u>\$ 18,652,705</u>	<u>\$ (49,092,112)</u>

\$1,699,149 reported as deferred outflows of resources related to OPEB resulting from District contributions paid subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended August 31, 2021.

Grand Prairie Independent School District

Notes to the Financial Statements

Other amounts reported as deferred outflows of resources (deferred inflows of resources) related to OPEB will be recognized in OPEB expense as follows:

Years Ending August 31,		
2021	\$	(5,527,472)
2022		(5,527,472)
2023		(5,531,406)
2024		(5,533,656)
2025		(5,533,040)
Thereafter		(4,485,510)
Total	\$	(32,138,556)

E. Joint Ventures – Shared Service Agreement

Irving Regional School Program for the Deaf

The District participates in the Regional Day School for the Deaf with Irving Independent School District acting as the fiscal agent and the District as a member district. The District’s portion of expenditures for the year ended August 31, 2020, totaled \$324,863. The District does not account for the revenues or expenditures for this program and does not disclose them in these financial statements. The District neither has a joint ownership interest in capital assets purchased by the fiscal agent, Irving Independent School District, nor does the District have a net equity interest in the fiscal agent. The fiscal agent is neither accumulating significant financial resources nor fiscal contingencies that would give rise to a future additional benefit or burden to the District. The fiscal agent manager is responsible for all financial activities of the Shared Service Arrangements.

Greenville Independent School District Autism and Dyslexia Grant

The District entered into a shared service agreement with Greenville Independent School District on August 1, 2018 to provide school day and afterschool services for eligible students with Autism Spectrum Disorder (ASD) ages 3-9 and eligible students with dyslexia. The District’s portion of expenditures for the year ended August 31, 2020 under the agreement totaled \$594,049.

F. Nonmonetary Transactions

During 2020, the District received textbooks purchased by the State of Texas for the benefit of the District for a purchase price of \$1,735,359. The District received the textbooks as part of state funding for textbook allotment. The textbooks have been recorded in the amount of \$1,735,359 in a special revenue fund as both state revenues and expenditures, which represent the amount of consideration given by the State of Texas.

G. Subsequent Events

In March 2020, the World Health Organization declared the novel coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected public education, workforces, economies, and financial markets globally, potentially leading to an economic downturn. It has also disrupted the normal operations of many businesses and organizations. It is not possible for management to predict the duration or magnitude of the adverse results of the outbreak and its disruptive effects on the District’s operations and financial results at this time.

Grand Prairie Independent School District

Notes to the Financial Statements

The District's management has reviewed its financial statements and evaluated subsequent events for the period of time from its year ended June 30, 2020 through November 19, 2020, the date the financial statements were issued. Management is not aware of any subsequent events, other than those described above, that would require recognition or disclosure in the accompanying financial statements.

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Required Supplementary Information

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Grand Prairie Independent School District

Exhibit E-1

Required Supplementary Information Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund For the Fiscal Year Ended August 31, 2020

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts			
		Original	Final	Actual	
REVENUES					
5700	Local and intermediate sources	\$ 91,814,813	\$ 90,728,643	\$ 91,672,449	\$ 943,806
5800	State program revenues	190,706,703	199,817,248	202,726,329	2,909,081
5900	Federal program revenues	3,435,000	3,985,000	5,197,029	1,212,029
5020	Total revenues	285,956,516	294,530,891	299,595,807	5,064,916
EXPENDITURES					
Current:					
0011	Instruction	161,679,592	159,294,460	156,578,276	2,716,184
0012	Instructional resources and media services	3,442,719	3,687,693	3,624,348	63,345
0013	Curriculum and staff development	3,990,556	3,778,309	3,143,850	634,459
0021	Instructional leadership	4,599,223	4,971,885	4,387,814	584,071
0023	School leadership	21,182,455	20,579,515	20,155,105	424,410
0031	Guidance, counseling, and evaluation services	11,647,755	12,236,615	11,764,863	471,752
0032	Social work services	253,388	271,029	230,241	40,788
0033	Health services	3,824,485	4,169,846	3,790,889	378,957
0034	Student transportation	6,412,431	7,853,053	6,704,524	1,148,529
0035	Food services	275,000	225,000	27,565	197,435
0036	Extracurricular activities	6,019,862	5,079,774	4,628,369	451,405
0041	General administration	8,127,416	8,233,988	6,867,706	1,366,282
0051	Plant maintenance and operations	26,023,050	25,676,166	23,706,462	1,969,704
0052	Security and monitoring services	3,199,069	3,116,332	2,823,511	292,821
0053	Data processing services	8,490,899	8,622,764	7,527,824	1,094,940
0061	Community services	4,180,057	4,678,449	4,207,980	470,469
Debt service:					
0071	Debt service - Principal on long-term debt	6,419,045	15,899,545	15,899,331	214
0072	Debt service - Interest on long-term debt	644,351	1,089,351	1,089,012	339
0073	Debt service - Bond issuance costs and fees	5,000	27,900	450	27,450
Capital outlay:					
0081	Facilities acquisition and construction	100,000	329,054	76,172	252,882
Intergovernmental:					
0095	Payments to Juvenile Justice Alternative Education Programs	85,000	85,000	74,136	10,864
0097	Payments to Tax Increment Fund	4,909,763	4,544,763	4,544,173	590
0099	Other intergovernmental charges	445,400	380,400	375,949	4,451
6030	Total expenditures	285,956,516	294,830,891	282,228,550	12,602,341
1100	Excess (Deficiency) of revenues over (under) expenditures	-	(300,000)	17,367,257	17,667,257
OTHER FINANCING SOURCES:					
7912	Proceeds from sale of assets	-	300,000	320,240	20,240
7080	Total other financing sources	-	300,000	320,240	20,240
1200	Net change in fund balance	-	-	17,687,497	17,687,497
0100	Fund balance, beginning	79,712,182	79,712,182	79,712,182	-
3000	FUND BALANCE, ending	\$ 79,712,182	\$ 79,712,182	\$ 97,399,679	\$ 17,687,497

The Notes to the Required Supplementary Information are an integral part of this statement.

Grand Prairie Independent School District
 Required Supplementary Information
 Schedule of the District's Proportionate Share of the Net Pension Liability
 of a Cost-Sharing Multiple-Employer Pension Plan
 Teacher Retirement System of Texas (TRS)
 For the Last Six Fiscal Years

	<u>2020</u>	<u>2019</u>
District's proportion of the net pension liability	0.19004017%	0.18677974%
District's proportionate share of the net pension liability	\$ 98,788,822	\$ 102,808,104
State's proportionate share of the net pension liability associated with the District	<u>131,909,503</u>	<u>150,437,849</u>
Total	<u>\$ 230,698,325</u>	<u>\$ 253,245,953</u>
District's covered payroll	\$ 198,439,712	\$ 196,241,863
District's proportionate share of the net pension liability as a percentage of its covered payroll	49.78%	52.39%
Plan fiduciary net position as a percentage of the total pension liability	75.24%	73.74%

Note: GASB 68, 81, 2, a, requires that the information on this schedule be data from the period corresponding with the period covered as of the measurement date of August 31, 2019 - the period from September 1, 2018 - August 31, 2019.

Note: Ten years of data is not available.

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
0.18294190%	0.18611450%	0.18376600%	0.13153600%
\$ 58,494,975	\$ 70,329,904	\$ 64,958,694	\$ 35,135,085
<u>89,768,017</u>	<u>103,609,317</u>	<u>95,800,077</u>	<u>78,026,611</u>
<u>\$ 148,262,992</u>	<u>\$ 173,939,221</u>	<u>\$ 160,758,771</u>	<u>\$ 113,161,696</u>
\$ 190,689,340	\$ 182,621,265	\$ 168,938,887	\$ 156,154,049
30.68%	38.51%	38.45%	22.50%
82.17%	78.00%	78.43%	83.25%

Grand Prairie Independent School District
 Required Supplementary Information
 Schedule of the District's Contributions to the Teacher Retirement System
 Pension Plan (TRS)
 For the Last Six Fiscal Years

	<u>2020</u>	<u>2019</u>
TRS		
Contractually required contributions	\$ 6,849,459	\$ 6,644,232
Contributions in relation to the contractually required contributions	<u>(6,849,459)</u>	<u>(6,644,232)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 202,803,780	\$ 198,439,712
Contributions as a percentage of covered payroll	3.38%	3.35%

Note: GASB 68, Paragraph 81.2.b requires that the data in this schedule be presented as of the District's current fiscal year as opposed to the time period covered by the measurement date of September 1, 2018 - August 31, 2019.

Note: Ten years of data is not available.

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 5,995,769	\$ 5,913,329	\$ 5,441,379	\$ 5,717,003
<u>(5,995,769)</u>	<u>(5,913,329)</u>	<u>(5,441,379)</u>	<u>(5,717,003)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 196,241,863	\$ 190,689,340	\$ 182,621,265	\$ 168,938,867
3.06%	3.10%	2.98%	3.38%

Grand Prairie Independent School District

Exhibit E-4

Required Supplementary Information
 Schedule of the District's Proportionate Share of the Net OPEB Liability
 of a Cost-Sharing Multiple-Employer OPEB Plan (TRS)
 For the Last Three Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net OPEB liability	0.2382285%	0.2388646%	0.2281199%
District's proportionate share of net OPEB liability	\$ 112,661,180	\$ 119,267,258	\$ 99,200,795
State's proportionate share of the net OPEB liability associated with the District	<u>149,701,510</u>	<u>166,012,813</u>	<u>148,372,592</u>
TOTALS	<u><u>\$ 262,362,690</u></u>	<u><u>\$ 285,280,071</u></u>	<u><u>\$ 247,573,387</u></u>
District's covered payroll	\$ 198,439,712	\$ 196,241,863	\$ 190,689,340
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	56.77%	60.10%	60.10%
Plan fiduciary net position as a percentage of the total OPEB liability	2.66%	1.57%	1.57%

Note: GASB 75, Paragraph 97 requires that the information on this schedule be data from the period corresponding with the period covered as of the measurement date of August 31, 2019 the period from September 1, 2018 - August 31, 2019.

Note: Ten years of data is not available.

Grand Prairie Independent School District
 Required Supplementary Information
 Schedule of the District's Contributions to the OPEB Plan (TRS)
 For the Last Three Fiscal Years

Exhibit E-5

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Teacher Retirement System			
Contractually required contributions	\$ 1,699,149	\$ 1,702,723	\$ 1,729,459
Contributions in relation to the contractually required contributions	<u>(1,699,149)</u>	<u>(1,702,723)</u>	<u>(1,729,459)</u>
CONTRIBUTIONS (DEFICIENCY) EXCESS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 202,803,780	\$ 198,439,712	\$ 196,241,763
Contribution as a percentage of covered payroll	0.84%	0.86%	0.88%

Note: GASB 75, Paragraph 97 requires that the data in this schedule be presented as of the District's current fiscal year as opposed to the time period covered by the measurement date of September 1, 2018 - August 31, 2019.

Note: Ten years of data is not available.

Grand Prairie Independent School District

Notes to the Required Supplementary Information

Note 1. Budget

A. Budgetary Information

Each school district in Texas is required by law to prepare annually a budget of anticipated revenues and expenditures for the general fund, debt service fund, and the National School Breakfast and Lunch Program special revenue fund. The Texas Education Code requires the budget to be prepared not later than August 20 and adopted by August 31 of each year. The budgets are prepared on a basis of accounting that is used for reporting in accordance with generally accepted accounting principles.

The following procedures are followed in establishing the budgetary data reflected in the fund financial schedules:

1. Prior to August 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
3. Prior to September 1, the budget is formally approved and adopted by the Board.

The appropriated budget is prepared by fund and function. The District's campus/department heads may make transfers of appropriations within a campus or department. Transfers of appropriations between campuses or departments require the approval of the District's management. Increasing any one of the functional spending categories, or revenues object accounts and other resources require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the function level within a fund. All annual appropriations lapse at fiscal year-end.

B. Variances with Final Budget

The District's general fund budget differs from the original budget due to budget revisions that were made during the fiscal period:

1. Amendments approved shortly after the beginning of the new fiscal year period for amounts restricted, committed, or assigned in the prior year.
2. Amendments in early and late spring to revise estimates for local and state revenues based on the latest information on student attendance numbers and tax collections.
3. Amendments during the year for unexpected occurrences.

The significant increases (decreases) in appropriations were as follows:

- Instruction decreased \$2.4 million primarily due to payroll costs moved to ESSER grant fund.
- Student transportation increased \$1.4 million primarily due to human resources recommended market adjustments for wages for transportation employees.
- Debt service principal increased \$9.5 million and debt service interest increased \$445 thousand primarily due to payoff of Apple capital leases.

Supplementary Information

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Combining and Individual Fund Financial Statements

Grand Prairie Independent School District

Fund Descriptions

Nonmajor Governmental Funds – Special Revenue Funds – Continued

The Special Revenue Funds are used to account for financial resources restricted to or committed for specific purposes by a grantor. These funds may be locally, state, or federally funded.

Programs accounted for in the Special Revenue Funds include:

ESSA, Title X, Part C – Education for the Homeless Children and Youth

This fund classification is used to account, on a project basis, for funds granted for a variety of staff development and supplemental services, including in-service training, counseling, psychological services and tutoring.

ESSA, Title I, Part A – Improving Basic Programs

This fund classification is used to account, on a project basis, for funds to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State performance standards developed for all children.

ESSA, Title I, Part C – Education of Migratory Children

This fund classification is used to account on a project basis for funds granted for programs benefiting children of migrant agriculture or agriculture-related workers and children of migrant fishermen.

IDEA – Part B, Formula

This fund classification is used to account, on a project basis, for funds granted to operate educational programs for children with disabilities.

IDEA – Part B, Preschool

This fund classification is used to account, on a project basis, for funds granted for preschool children with disabilities.

National School Breakfast and Lunch Program

This fund classification is used for programs using federal reimbursement revenues originating from the United States Department of Agriculture (USDA). The funds are used exclusively for allowable child nutrition program purposes.

Career and Technical – Basic Grant

This fund classification is used to account, on a project basis, for funds granted to provide Career and Technical education to develop new and/or improve Career and Technical education programs for paid and unpaid employment.

ESSA, Title II, Part A – Teacher and Principal Training and Recruiting

This fund classification is used to provide financial assistance to increase student academic achievement through improving teacher and principal quality and increase the number of highly qualified teachers in classrooms and highly qualified principals and assistant principals in schools; and, to hold schools accountable for improving student academic achievement.

ESSA, Title III, Part A – English Language Acquisition and Enhancement

This fund classification is used to account, on a project basis, for funds granted to improve the education of limited English proficient children, by assisting the children to learn English and meet challenging State academic content and student academic achievement standards.

School Redesign Grant

The purpose of this grant is to assist districts with a supported approach to planning and/or implementing school redesign plans in Title I low-performing schools, providing an opportunity for districts to create new and improved learning environments that substantially increase student achievement.

Grand Prairie Independent School District

Fund Descriptions

Nonmajor Governmental Funds – Special Revenue Funds – Continued

School Climate Grant

The purpose of this grant is to help schools train their teachers and other school staff to implement evidence-based strategies to improve school climate. The School Climate Transformation Grants initiative builds on the development of testing of evidence-based multi-tiered decision-making frameworks, such as Positive Behavioral Interventions and Supports.

Improving Academic Achievement (Summer School LEP)

This fund classification is used to account for funds to provide summer school instruction for Limited English Proficient (LEP) students.

Other Federal Grants

This fund includes the following grants:

Indian Education Act Title V

This fund classification is used to account for funds on a project basis for funds granted for programs benefiting children of native Indians from the Office of Indian Education.

Title IV, Part A

This fund is to increase the capacity of state education agencies, local education agencies, campuses, and communities to meet the following three goals:

1. Provide all students access to a well-rounded education
2. Improve academic outcomes by maintaining safe and healthy students
3. Improve the use of technology to advance student academic achievement

State Supplemental Visually Impaired (SSVI)

This fund classification is used to account for funds to support the education needs of students who have visual impairments.

Advanced Placement Incentives

This fund classification is used to account, on a project basis, for funds awarded to school districts under the Texas Advanced Placement Award Incentive Program, Chapter 28, Subchapter C, TEC, and is used to reward students, teachers, and campuses for high achievement. Campuses are awarded money for each student who scores three or above on an AP examination or four or above on an IB examination.

State Textbook Fund

This fund classification is used to account, on a project basis, for state funds awarded to school districts under the textbook allotment.

Jet Voucher TWC Fund

The purpose of this grant will serve to expand the successful workforce-training model into the Grater Dallas Region in the subjects of Electrical Technology Certifications.

Other State Grants

This fund includes the following grants:

College & Career Readiness Sub-Grant

The purpose of the CCRSM sub-grant is to provide financial and technical support to high-performing, currently-designated CCRSM campuses/IHEs that are implementing best practices as defined by the CCRSM blueprints.

Grand Prairie Independent School District

Fund Descriptions

Nonmajor Governmental Funds – Special Revenue Funds – Continued

Academy Stipends

The Texas Legislature has appropriated funding to pay stipends to eligible teachers who successfully complete academies. A teacher who successfully completes an academy will be eligible to receive a \$350 stipend, minus applicable income taxes and payroll deductions.
(Mathematics, Literacy Achievement, Reading to Learn)

Grow Your Own

The purpose of this grant is to assist eligible applicants increase the quality and diversity of the teaching force, especially in small and/or rural districts, by following appropriate pathways outlined in the request for application (RFA).

Lone Star STEM

The goal of the Lone Star STEM Academy project is to increase high-quality STEM education opportunities and outcomes for high-need students, with a particular focus on implementing programs of study that help students gain the skills, postsecondary credentials, and experience necessary to embark on well-paying careers in STEM fields, including careers in computer science and cybersecurity.

Math Innovations Zones

The purpose of the errata notice is to update the program end date for Round 1 of Special Education Fisca Support Performance Contract and correct the expenditure reporting period due to the update.

Special Education Fiscal Support

The SPED Fiscal Supports to LEAs (SB500) grant related to Full and Individual Initial Evaluations (FIEs), Independent Educational Evaluations (IEEs), Compensatory Services, and Extended School Year (ESY) services will assist qualifying LEAs in securing certified/licensed evaluation staff and related services personnel to fill short-term needs related to FIEs, compensatory services and ESY.

School Safety & Security Grant

The purpose is to provide funding to public schools, additional safety and security equipment (campus hardening) such as: (1) exterior doors with push bars; (2) metal detectors at school entrances; (3) erected vehicle barriers; (4) security systems that monitor and record school entrances, exits, and hallways; (5) campus-wide active shooter alarm systems that are separate from fire alarms; (6) two-way radio systems; (7) perimeter security fencing; (8) bullet-resistant glass or film for school entrances; and (9) door-locking systems.

Services to Students with Autism / Dyslexia Services

This fund classification is used to account for state funds awarded to the school district for services for students with autism and for dyslexia services.

Campus Activity Funds

This fund classification is used to account for transactions related to a campus or principals' activity funds.

Scholarship Fund

This fund classification is used to account for local donations to provide students with various scholarships.

Commit

To help cradle career network members build capacity to dramatically improve outcomes for every child, from cradle to career. Strengthen and improve financial aid completion rates through the use of results based leadership techniques, disaggregated data, continuous improvement tools and coaching.

Grand Prairie Independent School District

Fund Descriptions

Nonmajor Governmental Funds – Special Revenue Funds – Continued

Fund Raisers

Funds generated from campus/departments through local community events to purchase various item for student activities, etc.

Target Field Trip Grant

Target stores award Field Trips grants to K-12 schools nationwide. It's become increasingly difficult for schools to fund learning opportunities outside the classroom. To help them out, Target has launched the Field Trip Grants.

Camp Invention Program

This fund classification is used to account, on a project basis, for Camp Invention, a STEM summer camp to ensure student success through engaging learning experiences, collaborative leadership, and a focus on maximizing student achievement.

HoltCat Caterpillar Foundation

A partnership between the Caterpillar Foundation and eligible secondary/post-secondary schools. To strengthen curriculum and faculty development, and to increase the pool of qualified service technicians in the industry.

Texas Retired Teacher Foundation

Awarded to Texas public school teachers who, on a daily basis, demonstrate commitment to public education and Texas children through the creation of programs, events or other learning platforms.

Project Lead the Way Grant

This fund classification is used to account, on a project basis, for rigorous STEM and college readiness environment that promotes lifelong learning and success.

Foundation for the Education of Young Women

This fund classification is used to account, on a project basis, a college-preparatory academy for young women in grades six through twelve. These funds are to assist the school to nurture the intellectual curiosity and creativity of young women and to address their developmental needs. Its mission is to cultivate dynamic, participatory learning, enabling students to experience great academic success at many levels, especially in the fields of math, science and technology.

Gen YOUth Foundation

This fund classification is used to account, on a project basis, for local instructional initiatives at the campus level; each project unique in its own creation.

Early Head Start Program

This fund classification is used to account, on a project basis, for services to enhance and support early learning setting; provide new, full-day, center based comprehensive services that meet the needs of working families; and prepare children for the transition into preschool.

Lockheed Martin Grant

This fund classification is used to account, on a project basis, several activities including the Project Lead the Way Aerospace Program.

Donations

Funds donated from various local sources/business/community to further enhance the education of our students.

Texas Parks and Wildlife Grant

To assist in the development of our students into young women who are more confident, possess strong character, and demonstrate self-reliance.

Grand Prairie Independent School District

Fund Descriptions

Nonmajor Governmental Funds – Special Revenue Funds – Continued

Partners in Education

This fund classification is used to account for donations received by the District to be used for various expenditures not covered by local funds including, but not limited to, students in need, items needed for the district, and various incentives for students and staff.

Education Foundation Grants

A local foundation that awards financial support to various campuses that submit a proposal to support educators in Grand Prairie ISD striving to improve student achievement.

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Grand Prairie Independent School District
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue Funds
August 31, 2020

<u>Data Control Codes</u>	206	211	212	224
	ESSA Title X, Part C - Education for the Homeless Children and Youth	ESSA, Title I, Part A - Improving Basic Programs	ESSA, Title I, Part C - Education of Migratory Children	IDEA Part B, Formula
ASSETS				
1110	\$ -	\$ -	\$ -	\$ -
1120	-	-	-	-
1240	6,994	707,633	-	404,379
1260	-	-	-	-
1290	-	-	-	-
1000	<u>\$ 6,994</u>	<u>\$ 707,633</u>	<u>\$ -</u>	<u>\$ 404,379</u>
LIABILITIES				
2110	\$ 6,419	\$ 44,992	\$ -	\$ -
2160	-	350,671	-	375,794
2170	575	311,970	-	28,585
2000	6,994	707,633	-	404,379
FUND BALANCES				
Restricted:				
3450	-	-	-	-
3000	-	-	-	-
4000	<u>\$ 6,994</u>	<u>\$ 707,633</u>	<u>\$ -</u>	<u>\$ 404,379</u>

225	240	244	255	263
IDEA - Part B Preschool	National School Breakfast and Lunch Program	Career and Technical - Basic Grant	ESSA, Title II, Part A - Teacher and Principal Training and Recruiting	ESSA Title III Part A English Language Acquisition and Enhancement
\$ -	\$ 948,018	\$ -	\$ -	\$ -
-	399,590	-	-	-
6,933	87,601	1,989	71,829	138,043
-	5,136	-	-	-
-	686,247	-	-	-
<u>\$ 6,933</u>	<u>\$ 2,126,592</u>	<u>\$ 1,989</u>	<u>\$ 71,829</u>	<u>\$ 138,043</u>
\$ -	\$ 238,636	\$ -	\$ 375	\$ -
6,472	112,273	-	62,722	25,918
461	-	1,989	8,732	112,125
6,933	350,909	1,989	71,829	138,043
-	1,775,683	-	-	-
-	1,775,683	-	-	-
<u>\$ 6,933</u>	<u>\$ 2,126,592</u>	<u>\$ 1,989</u>	<u>\$ 71,829</u>	<u>\$ 138,043</u>

Grand Prairie Independent School District
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue Funds
August 31, 2020

	276	287	288	289
	School Redesign Grant	School Climate Grant	Improving Academic Achievement (Summer School LEP)	Other Federal Grants
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 762
Current investments	-	-	-	-
Due from other governments	17,564	53,724	-	35,624
Other receivables, net	-	-	-	-
TOTAL ASSETS	\$ 17,564	\$ 53,724	\$ -	\$ 36,386
LIABILITIES				
Accounts payable	\$ -	\$ 11,150	\$ -	\$ 3,674
Accrued wages payable	16,127	34,236	-	32,712
Due to other funds	1,437	8,338	-	-
Total liabilities	17,564	53,724	-	36,386
FUND BALANCES				
Restricted:				
Grant funds	-	-	-	-
Total fund balances	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 17,564	\$ 53,724	\$ -	\$ 36,386

385	397	410	427	429	459	461
State Supplemental Visually Impaired (SSVI)	Advanced Placement Incentives	State Textbook Fund	JET Voucher TWC Fund	Other State Grants	Services to Students with Autism / Dyslexia Services	Campus Activity Funds
\$ -	\$ 17,699	\$ 98,459	\$ -	\$ 4,216	\$ -	\$ 691,160
-	-	-	-	-	-	749,975
-	-	49,319	-	38,182	105,087	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 17,699</u>	<u>\$ 147,778</u>	<u>\$ -</u>	<u>\$ 42,398</u>	<u>\$ 105,087</u>	<u>\$ 1,441,135</u>
\$ -	\$ -	\$ 130,356	\$ -	\$ 7,856	\$ 68,620	\$ 29,571
-	-	-	-	-	20,299	-
-	-	-	-	-	16,168	-
-	-	130,356	-	7,856	105,087	29,571
-	17,699	17,422	-	34,542	-	1,411,564
-	17,699	17,422	-	34,542	-	1,411,564
<u>\$ -</u>	<u>\$ 17,699</u>	<u>\$ 147,778</u>	<u>\$ -</u>	<u>\$ 42,398</u>	<u>\$ 105,087</u>	<u>\$ 1,441,135</u>

Grand Prairie Independent School District
 Combining Balance Sheet
 Nonmajor Governmental Funds – Special Revenue Funds
 August 31, 2020

		478	481	482	483
Data Control Codes		Scholarship Fund	Commit	Fund Raisers	Target Field Trip Grant
ASSETS					
1110	Cash and cash equivalents	\$ 10,000	\$ 58,172	\$ 376,172	\$ -
1120	Current investments	-	-	-	-
1240	Due from other governments	-	-	-	-
1290	Other receivables, net	-	-	-	-
1000	TOTAL ASSETS	<u>\$ 10,000</u>	<u>\$ 58,172</u>	<u>\$ 376,172</u>	<u>\$ -</u>
LIABILITIES					
2110	Accounts payable	\$ -	\$ -	\$ -	\$ -
2160	Accrued wages payable	-	-	-	-
2170	Due to other funds	-	-	-	-
2000	Total liabilities	-	-	-	-
FUND BALANCES					
Restricted:					
3450	Grant funds	<u>10,000</u>	<u>58,172</u>	<u>376,172</u>	<u>-</u>
3000	Total fund balances	<u>10,000</u>	<u>58,172</u>	<u>376,172</u>	<u>-</u>
4000	TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 10,000</u>	<u>\$ 58,172</u>	<u>\$ 376,172</u>	<u>\$ -</u>

484	486	487	489	490
Camp Invention Program	HoltCat Caterpillar Foundation	Texas Retired Teacher Foundation	Project Lead the Way Grant	Foundation for the Education of Young Women
\$ 18,315	\$ 45,473	\$ 500	\$ 14,710	\$ 88
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 18,315</u>	<u>\$ 45,473</u>	<u>\$ 500</u>	<u>\$ 14,710</u>	<u>\$ 88</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>18,315</u>	<u>45,473</u>	<u>500</u>	<u>14,710</u>	<u>88</u>
<u>18,315</u>	<u>45,473</u>	<u>500</u>	<u>14,710</u>	<u>88</u>
<u>\$ 18,315</u>	<u>\$ 45,473</u>	<u>\$ 500</u>	<u>\$ 14,710</u>	<u>\$ 88</u>

Grand Prairie Independent School District
 Combining Balance Sheet
 Nonmajor Governmental Funds – Special Revenue Funds
 August 31, 2020

Data Control Codes		491	492	494
		Gen YOUth Foundation	Early Head Start Program	Lockheed Martin Grant
ASSETS				
1110	Cash and cash equivalents	\$ 20,000	\$ 82,216	\$ -
1120	Current investments	-	-	-
1240	Due from other governments	-	-	-
1260	Due from other funds	-	-	-
1290	Other receivables, net	-	-	-
1000	TOTAL ASSETS	<u>\$ 20,000</u>	<u>\$ 82,216</u>	<u>\$ -</u>
LIABILITIES				
2110	Accounts payable	\$ -	\$ -	\$ -
2160	Accrued wages payable	-	26,465	-
2170	Due to other funds	-	-	-
2000	Total liabilities	-	26,465	-
FUND BALANCES				
Restricted:				
3450	Grant funds	20,000	55,751	-
3000	Total fund balances	20,000	55,751	-
4000	TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 20,000</u>	<u>\$ 82,216</u>	<u>\$ -</u>

495	496	497	499	Total Nonmajor Funds (See Exhibit B-1)
Donations	Texas Parks and Wildlife Grant	Partners in Education	Education Foundation Grants	
\$ 170,333	\$ -	\$ 36,325	\$ -	\$ 2,592,618
-	-	-	-	1,149,565
-	-	-	-	1,724,901
-	-	-	-	5,136
-	-	-	-	686,247
<u>\$ 170,333</u>	<u>\$ -</u>	<u>\$ 36,325</u>	<u>\$ -</u>	<u>\$ 6,158,467</u>
\$ 4,844	\$ -	\$ -	\$ -	\$ 546,493
-	-	-	-	1,063,689
-	-	-	-	490,380
4,844	-	-	-	2,100,562
<u>165,489</u>	<u>-</u>	<u>36,325</u>	<u>-</u>	<u>4,057,905</u>
<u>165,489</u>	<u>-</u>	<u>36,325</u>	<u>-</u>	<u>4,057,905</u>
<u>\$ 170,333</u>	<u>\$ -</u>	<u>\$ 36,325</u>	<u>\$ -</u>	<u>\$ 6,158,467</u>

Grand Prairie Independent School District

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
 Nonmajor Governmental Funds – Special Revenue Funds
 For the Fiscal Year Ended August 31, 2020

Data Control Codes		206	211	212	224
		ESSA Title X, Part C - Education for the Homeless Children and Youth	ESSA, Title I, Part A - Improving Basic Programs	ESSA, Title I, Part C - Education of Migratory Children	IDEA Part B, Formula
REVENUES					
5700	Local and intermediate sources	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	90,161	7,391,391	2,483	5,229,062
5020	Total revenues	90,161	7,391,391	2,483	5,229,062
EXPENDITURES					
Current:					
0011	Instruction	-	3,279,035	-	2,680,016
0012	Instructional resources and media services	-	550	-	-
0013	Curriculum and staff development	-	2,719,587	-	-
0021	Instructional leadership	-	61,104	-	-
0023	School leadership	-	47,053	-	-
0031	Guidance, counseling, and evaluation services	-	70,789	-	1,876,087
0032	Social work services	90,161	556,642	-	-
0033	Health services	-	-	-	-
0034	Student transportation	-	62,767	-	348,096
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	635	-	-
0041	General administration	-	1,493	-	-
0051	Plant maintenance and operations	-	-	-	-
0052	Security and Monitoring Services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	591,736	2,483	-
Intergovernmental:					
0093	Payments to shared services arrangements	-	-	-	324,863
6030	Total expenditures	90,161	7,391,391	2,483	5,229,062
1200	Net change in fund balances	-	-	-	-
0100	Fund balances, beginning	-	-	-	-
3000	FUND BALANCES, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

225	240	244	255	263
IDEA - Part B Preschool	National School Breakfast and Lunch Program	Career and Technical - Basic Grant	ESSA, Title II, Part A - Teacher and Principal Training and Recruiting	ESSA Title III Part A English Language Acquisition and Enhancement
\$ -	\$ 1,843,209	\$ -	\$ -	\$ -
-	83,257	-	-	-
69,055	12,765,817	266,173	1,571,209	833,301
69,055	14,692,283	266,173	1,571,209	833,301
69,055	-	9,165	1,100	302,904
-	-	-	-	-
-	-	-	1,203,526	494,561
-	-	-	55,347	26,264
-	-	-	311,236	2,505
-	-	257,008	-	1,021
-	-	-	-	-
-	-	-	-	-
-	16,057,421	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	6,046
-	-	-	-	-
69,055	16,057,421	266,173	1,571,209	833,301
-	(1,365,138)	-	-	-
-	3,140,821	-	-	-
\$ -	\$ 1,775,683	\$ -	\$ -	\$ -

Grand Prairie Independent School District

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
 Nonmajor Governmental Funds – Special Revenue Funds
 For the Fiscal Year Ended August 31, 2020

Data Control Codes	276	287	288	289
	School Redesign Grant	School Climate Grant	Improving Academic Achievement (Summer School LEP)	Other Federal Grants
REVENUES				
5700	Local and intermediate sources	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	281,186	458,834	657,676
5020	Total revenues	281,186	458,834	657,676
EXPENDITURES				
Current:				
0011	Instruction	100,340	-	26,714
0012	Instructional resources and media services	648	-	-
0013	Curriculum and staff development	123,874	7,929	-
0021	Instructional leadership	-	-	1,825
0023	School leadership	5,070	-	-
0031	Guidance, counseling, and evaluation services	-	223,262	-
0032	Social work services	-	227,643	-
0033	Health services	-	-	-
0034	Student transportation	-	-	-
0035	Food service	-	-	-
0036	Extracurricular activities	-	-	-
0041	General administration	-	-	-
0051	Plant maintenance and operations	-	-	271
0052	Security and Monitoring Services	-	-	-
0053	Data processing services	51,254	-	-
0061	Community services	-	-	103,250
Intergovernmental:				
0093	Payments to shared services arrangements	-	-	-
6030	Total expenditures	281,186	458,834	657,676
1200	Net change in fund balances	-	-	-
0100	Fund balances, beginning	-	-	-
3000	FUND BALANCES, ending	\$ -	\$ -	\$ -

385	397	410	427	429	459	461
State Supplemental Visually Impaired (SSVI)	Advanced Placement Incentives	State Textbook Fund	JET Voucher TWC Fund	Other State Grants	Services to Students with Autism / Dyslexia Services	Campus Activity Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,090,125
7,508	35,628	1,735,359	111,878	820,054	1,330,744	-
-	-	-	-	-	-	-
7,508	35,628	1,735,359	111,878	820,054	1,330,744	1,090,125
7,508	-	1,735,351	111,878	217,911	403,552	223,652
-	-	-	-	1,401	-	4,957
-	22,179	-	-	25,268	219,706	21,792
-	-	-	-	33,255	112,909	-
-	-	-	-	2,914	-	71,587
-	-	-	-	32,338	-	512
-	-	-	-	-	-	-
-	-	-	-	-	-	584
-	-	-	-	-	-	-
-	-	-	-	-	-	623,875
-	-	-	-	-	-	1,825
-	-	-	-	-	-	180
-	-	-	-	472,425	-	-
-	-	-	-	-	-	-
-	-	-	-	-	528	13,450
-	-	-	-	-	594,049	-
7,508	22,179	1,735,351	111,878	785,512	1,330,744	962,414
-	13,449	8	-	34,542	-	127,711
-	4,250	17,414	-	-	-	1,283,853
\$ -	\$ 17,699	\$ 17,422	\$ -	\$ 34,542	\$ -	\$ 1,411,564

Grand Prairie Independent School District

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
 Nonmajor Governmental Funds – Special Revenue Funds
 For the Fiscal Year Ended August 31, 2020

		478	481	482	483
Data Control Codes		Scholarship Fund	Commit	Fund Raisers	Target Field Trip Grant
REVENUES					
5700	Local and intermediate sources	\$ -	\$ -	\$ 201,921	\$ 700
5800	State program revenues	-	-	-	-
5900	Federal program revenues	-	-	-	-
5020	Total revenues	-	-	201,921	700
EXPENDITURES					
Current:					
0011	Instruction	-	1,557	17,970	700
0012	Instructional resources and media services	-	-	-	-
0013	Curriculum and staff development	-	-	-	-
0021	Instructional leadership	-	13,087	-	-
0023	School leadership	-	-	-	-
0031	Guidance, counseling, and evaluation services	-	9,478	8,398	-
0032	Social work services	-	-	-	-
0033	Health services	-	-	-	-
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	7,343	-
0041	General administration	-	-	-	-
0051	Plant maintenance and operations	-	-	35,890	-
0052	Security and Monitoring Services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	-	12,341	-
Intergovernmental:					
0093	Payments to shared services arrangements	-	-	-	-
6030	Total expenditures	-	24,122	81,942	700
1200	Net change in fund balances	-	(24,122)	119,979	-
0100	Fund balances, beginning	10,000	82,294	256,193	-
3000	FUND BALANCES, ending	\$ 10,000	\$ 58,172	\$ 376,172	\$ -

484	486	487	489	490
Camp Invention Program	HoltCat Caterpillar Foundation	Texas Retired Teacher Foundation	Project Lead the Way Grant	Foundation for the Education of Young Women
\$ 71,500	\$ 28,057	\$ -	\$ 35,000	\$ 22,448
-	-	500	-	-
-	-	-	-	-
71,500	28,057	500	35,000	22,448
48,000	-	500	47,653	837
-	-	-	-	-
-	-	-	8,594	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	37,961
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
6,650	11,000	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
54,650	11,000	500	56,247	38,798
16,850	17,057	-	(21,247)	(16,350)
1,465	28,416	500	35,957	16,438
\$ 18,315	\$ 45,473	\$ 500	\$ 14,710	\$ 88

Grand Prairie Independent School District

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
 Nonmajor Governmental Funds – Special Revenue Funds
 For the Fiscal Year Ended August 31, 2020

Data Control Codes		491	492	494
		Gen YOUth Foundation	Early Head Start Program	Lockheed Martin Grant
REVENUES				
5700	Local and intermediate sources	\$ -	\$ 640,763	\$ -
5800	State program revenues	20,000	-	-
5900	Federal program revenues	-	-	-
5020	Total revenues	20,000	640,763	-
EXPENDITURES				
Current:				
0011	Instruction	-	-	14,178
0012	Instructional resources and media services	-	-	-
0013	Curriculum and staff development	-	-	-
0021	Instructional leadership	-	-	-
0023	School leadership	-	-	-
0031	Guidance, counseling, and evaluation services	-	-	-
0032	Social work services	-	-	-
0033	Health services	-	-	-
0034	Student transportation	-	-	-
0035	Food service	-	-	-
0036	Extracurricular activities	-	-	268
0041	General administration	-	-	-
0051	Plant maintenance and operations	-	-	-
0052	Security and Monitoring Services	-	-	-
0053	Data processing services	-	-	-
0061	Community services	-	656,008	-
0093	Payments to shared services arrangements	-	-	-
6030	Total expenditures	-	656,008	14,446
1100	Excess (Deficiency) of revenues over			
1100	(under) expenditures	20,000	(15,245)	(14,446)
1200	Net change in fund balances	20,000	(15,245)	(14,446)
0100	Fund balances, beginning	-	70,996	14,446
3000	FUND BALANCES, ending	\$ 20,000	\$ 55,751	\$ -

495	496	497	499	Total Nonmajor Funds (See Exhibit B-2)
Donations	Texas Parks and Wildlife Grant	Partners in Education	Education Foundation Grants	
\$ 60,597	\$ -	\$ 12,767	\$ 44,478	\$ 4,051,565
-	-	-	-	4,144,928
-	-	-	-	29,643,062
60,597	-	12,767	44,478	37,839,555
8,898	1,214	-	56,397	9,376,242
-	-	-	-	7,556
217	-	-	-	4,847,233
-	-	-	-	303,791
-	-	-	-	440,365
7,857	-	-	-	2,842,354
-	-	-	-	1,098,976
-	-	-	-	584
-	-	-	-	410,863
-	-	-	-	16,057,421
-	-	-	-	649,771
-	-	-	-	3,318
-	-	-	-	36,341
-	-	-	-	472,425
-	-	-	-	51,254
6,196	-	-	-	1,392,038
-	-	-	-	918,912
23,168	1,214	-	56,397	38,909,444
37,429	(1,214)	12,767	(11,919)	(1,069,889)
37,429	(1,214)	12,767	(11,919)	(1,069,889)
128,060	1,214	23,558	11,919	5,127,794
\$ 165,489	\$ -	\$ 36,325	\$ -	\$ 4,057,905

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Agency Fund

The District's agency fund is used to account for assets held by the District as an agent for student organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Grand Prairie Independent School District
Statement of Changes in Assets and Liabilities
Fiduciary Fund
For the Fiscal Year Ended August 31, 2020

Exhibit H-1

<u>Data Control Codes</u>		<u>Beginning Balance September 1, 2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance August 31, 2020</u>
	ASSETS				
1110	Cash and cash equivalents	\$ 167,361	\$ 412,612	\$ (398,845)	\$ 181,128
1120	Current investments	-	873	(873)	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
1000	TOTAL ASSETS	<u>\$ 167,361</u>	<u>\$ 413,485</u>	<u>\$ (399,718)</u>	<u>\$ 181,128</u>
	LIABILITIES				
2170	Due to other funds	\$ -	\$ 28,178	\$ (28,178)	\$ -
2190	Due to student groups	167,361	385,307	(371,540)	181,128
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
2000	TOTAL LIABILITIES	<u>\$ 167,361</u>	<u>\$ 413,485</u>	<u>\$ (399,718)</u>	<u>\$ 181,128</u>

Compliance Schedules

Compliance schedules are required by Texas Education Agency and are not required disclosures in the Comprehensive Annual Financial Report.

Grand Prairie Independent School District

Schedule of Delinquent Taxes Receivable

For the Fiscal Year Ended August 31, 2020

Years Ended August 31,	1	2	3
	Tax Rates		Actual Taxable Value For School Tax Purposes
	Maintenance	Debt Service	
2011 and prior years	Various	Various	Various
2012	1.04000	0.42500	4,734,829,420
2013	1.04000	0.42500	4,598,635,222
2014	1.04000	0.42500	4,801,502,799
2015	1.04000	0.42500	5,175,669,488
2016	1.04000	0.42500	5,243,894,357
2017	1.17000	0.42500	5,901,543,746
2018	1.17000	0.42500	6,520,938,970
2019	1.17000	0.42500	7,290,227,263
2020 (School year audit)	1.06835	0.47000	8,079,279,519
1000 Totals			

9000 - Portion of row 1000 for taxes paid into Tax Increment Zone under Chapter 311, Tax Code

Exhibit I-1

10 Beginning Balance September 1, 2019	20 Current Year's Total Levy	31 Maintenance Collections	32 Debt Service Collections	40 Entire Year's Adjustments	50 Ending Balance August 31, 2020
\$ 631,384	\$ -	\$ 38,529	\$ 12,472	\$ (26,620)	\$ 553,763
105,764	-	5,959	2,435	(640)	96,730
131,705	-	6,458	2,639	(560)	122,048
156,169	-	6,964	2,846	(470)	145,889
207,756	-	11,862	4,847	(21,573)	169,474
248,280	-	21,826	7,928	5,984	224,510
336,276	-	59,864	21,746	4,464	259,130
515,644	-	76,297	27,715	(52,202)	359,430
1,253,135	-	199,917	72,619	(387,778)	592,821
-	120,337,561	83,146,669	36,578,772	744,556	1,356,676
<u>\$ 3,586,113</u>	<u>\$ 120,337,561</u>	<u>\$ 83,574,345</u>	<u>\$ 36,734,019</u>	<u>\$ 265,161</u>	<u>\$ 3,880,471</u>
		\$ 4,544,173	\$ 1,999,122		

Grand Prairie Independent School District
 Budgetary Comparison Schedule
 National School Breakfast and Lunch Program
 For the Fiscal Year Ended August 31, 2020

Exhibit I-2

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
REVENUES					
5700	Local and Intermediate Sources	\$ 3,358,382	\$ 1,803,382	\$ 1,843,209	\$ 39,827
5800	State program revenues	90,000	80,000	83,257	3,257
5900	Federal program revenues	16,159,843	12,839,843	12,765,817	(74,026)
5020	Total revenues	19,608,225	14,723,225	14,692,283	(30,942)
EXPENDITURES					
Current:					
0035	Food service	19,608,225	16,868,226	16,057,421	810,805
6030	Total expenditures	19,608,225	16,868,226	16,057,421	810,805
1100	Excess (Deficiency) of revenues over (under) expenditures	-	(2,145,001)	(1,365,138)	779,863
1200	Net change in fund balance	-	(2,145,001)	(1,365,138)	779,863
0100	Fund balance, beginning	3,140,821	3,140,821	3,140,821	-
3000	FUND BALANCE, ending	\$ 3,140,821	\$ 995,820	\$ 1,775,683	\$ 779,863

Grand Prairie Independent School District
 Budgetary Comparison Schedule
 Debt Service Fund
 For the Fiscal Year Ended August 31, 2020

Exhibit I-3

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
REVENUES					
5700	Local and intermediate sources	\$ 38,018,898	\$ 37,328,898	\$ 38,300,409	\$ 971,511
5800	State program revenues	5,848,742	6,598,742	10,178,677	3,579,935
5020	Total revenues	43,867,640	43,927,640	48,479,086	4,551,446
EXPENDITURES					
Debt service:					
0071	Principal on long-term debt	23,390,000	23,390,000	23,390,000	-
0072	Interest on long-term debt	18,449,178	18,449,178	18,449,178	-
0073	Issuance costs and fees	75,402	75,402	18,880	56,522
Intergovernmental:					
0097	Payments to tax increment fund	1,953,060	2,013,060	1,999,122	13,938
6030	Total expenditures	43,867,640	43,927,640	43,857,180	70,460
1100	Excess (Deficiency) of revenues over (under) expenditures	-	-	4,621,906	4,621,906
1200	Net change in fund balance	-	-	4,621,906	4,621,906
0100	Fund balance, beginning	15,729,273	15,729,273	15,729,273	-
3000	FUND BALANCE, ending	\$ 15,729,273	\$ 15,729,273	\$ 20,351,179	\$ 4,621,906

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Federal Awards Section

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**Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

To the Board of Trustees of
Grand Prairie Independent School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Grand Prairie Independent School District (the District), as of and for the year ended August 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 6, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Board of Trustees of
Grand Prairie Independent School District

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of the audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
January 6, 2021



**Independent Auditors' Report on Compliance for Each Major Federal
Program and Report on Internal Control over Compliance
in Accordance with the Uniform Guidance**

To the Board of Trustees of
Grand Prairie Independent School District

Report on Compliance for Each Major Federal Program

We have audited Grand Prairie Independent School District's (the District) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended August 31, 2020. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of finding and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2020.

The Board of Trustees of
Grand Prairie Independent School District

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
January 6, 2021

Grand Prairie Independent School District

Schedule of Findings and Questioned Costs

For the Fiscal Year Ended August 31, 2020

Section 1. Summary of Auditor's Results

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported

Noncompliance which is material to the financial statements noted? _____ Yes X No

Major Programs

Internal controls over major federal programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported

An unmodified opinion was issued on compliance for major programs.

Any audit findings disclosed that were required to be reported in accordance with Uniform Guidance? _____ Yes X No

Identification of major programs:

- 84.027/84.173 Special Education Cluster (IDEA)
- 84.367A – Title II, Part A
- 84.425D – ESSER Grant

Dollar threshold used to distinguish between Type A and Type B programs: \$1,082,359

Auditee qualified as a low-risk auditee? X Yes _____ No

Grand Prairie Independent School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended August 31, 2020

Section 2. Financial Statement Findings

None

Section 3. Federal Awards Findings

None

Grand Prairie Independent School District

Summary of Prior Year Audit Findings

For the Fiscal Year Ended August 31, 2019

Section 4. Schedule of Prior Audit Findings and Questioned Costs

None

Grand Prairie Independent School District
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended August 31, 2020

Exhibit K-1

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
Direct programs			
School Climate Grant	84.184G	S184G190175	\$ 458,834
Indian Education Act, Title V	84.060A	S060A191185	1,377
Total Direct Programs			<u>460,211</u>
Passed through State Department of Education			
ESSA, Title I, Part A - Improving Basic Programs	84.010A	20610101057910	6,685,434
ESSA, Title I, Part A - Improving Basic Programs	84.010A	21610101057910	117,608
School Transformation Fund	84.010A	206101487110007	902,758
Total Title I, Part A			<u>7,705,800</u>
Special Education Cluster (IDEA)			
IDEA - Part B, Formula*	84.027A	206600010579106000	5,446,750
IDEA - Part B, Preschool*	84.173A	206610010579106000	71,921
Total Special Education Cluster (IDEA)			<u>5,518,671</u>
Career and Technical - Basic Grant	84.048A	20420006057910	277,274
Title III, Part A - English Language Acquisition	84.365A	20671001057910	853,233
Title III, Part A - English Language Acquisition	84.365A	21671001057910	14,047
Total Title III, Part A			<u>867,280</u>
ESSA, Title II, Part A - Teacher and Principal Training*	84.367A	20694501057910	1,124,205
ESSA, Title II, Part A - Teacher and Principal Training*	84.367A	21694501057910	27,461
Principal Preparation Grants*	84.367A	196945677110005	377,865
Principal Residency Grants*	84.367A	206945677110005	107,627
Total Title II, Part A			<u>1,637,158</u>
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER)*	84.425D	20521001057910	5,651,915
School Redesign Implementation	84.377A	176107367110002	295,007
Title IV, Part A	84.424A	20680101057910	637,119
Title IV, Part A	84.424A	21680101057910	19,180
Total Title IV, Part A			<u>656,299</u>
Improving Academic Achievement, Summer School LEP	84.369A	69551902	26,714
Texas Education Homeless Children & Youth (TEHCY)	84.196A	204600057110037	93,911
Passed through Region X Education Service Center			
Title I, Part C - Migrant Education Program	84.011A	20615001057950	2,483
Total U.S. Department of Education			<u>23,192,723</u>
U.S. DEPARTMENT OF AGRICULTURE			
Passed through the State Department of Agriculture			
Child and Adult Care Food Program	10.558	806780706	674,616
Child Nutrition Cluster			
Passed through the State Department of Agriculture			
National School Lunch Program - Non-Cash Assistance	10.555	806780706	1,388,487
Passed through the State Department of Agriculture - Cash Assistance			
National School Lunch Program	10.555	806780706	6,328,167
COVID-19 National School Lunch Program	10.555	806780706	1,113,162
National School Breakfast Program	10.553	806780706	2,639,524
COVID-19 National School Breakfast Program	10.553	806780706	621,861
Total Child Nutrition Cluster			<u>12,091,201</u>
Total U.S. Department of Agriculture			<u>12,765,817</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through Texas Department of Human Services:			
Medicaid Administrative Claiming Program (MAC)	93.778	529-07-0157-00034	120,085
Total U.S. Department of Health and Human Services			<u>120,085</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 36,078,625</u>

* Denotes major federal program

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this statement.

Grand Prairie Independent School District

Notes to the Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended August 31, 2020

The District uses the fund types specified in Texas Education Agency's Financial Accountability System Resource Guide. Special Revenue Funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All federal grant funds were accounted for in a Special Revenue Fund which is a Governmental Fund type. With this measurement focus, only current assets and current liabilities and the fund balance are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

The modified accrual basis of accounting is used for the Governmental Fund types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on Long-Term Debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as unearned revenues until earned.

The District participates in numerous state and federal grant programs that are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at August 31, 2020, may be impaired. In the opinion of the District, there are not significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying financial statements for such contingencies.

The following table reconciles total expenditures per the schedule of expenditures of federal awards (Exhibit K-1) to the federal program revenues per Exhibit B-2:

Total expenditures of federal awards per Exhibit K-1	\$	36,078,625
General fund - federal revenue		
SHARS		3,665,145
E-Rate		562,018
ROTC		186,218
		<hr/>
Total federal revenues per Exhibit B-2	\$	40,492,006

The District has elected not to use the 10% de minimis indirect cost rate.

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Other Information

Grand Prairie Independent School District
 Schedule of Required Responses to Selected
 School FIRST Indicators (Unaudited)
 For the Fiscal Year Ended August 31, 2020

Exhibit L-1

<u>Data Control Codes</u>		<u>Responses</u>
SF1	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year-end?	No
SF3	Did the school district make timely payments to the Teacher Retirement System (TRS), on the financial statements as a whole? Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? (If the school district was issued a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the school district is considered to not have made timely payments.) Payments to the TRS and TWC are considered timely if a warrant hold that was issued in connection to the untimely payment was cleared within 30 days from the date the warrant hold was issued. Payments to the IRS are considered timely if a penalty or delinquent payment notice was cleared within 30 days from the date the notice was issued.	Yes
SF4	Was the school district issued a warrant hold? Even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days, the school district is considered to have been issued a warrant hold.	No
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?	No
SF7	Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?	Yes
SF8	Did the school board members discuss the school district's property values at a board meeting within 120 days before the school district adopted its budget?	Yes
SF9	Total accumulated accretion on CABs included in government-wide financial statements at fiscal year-end.	\$ -